

Company Registration No 2228599

Registered Charity No 801111

CULTURAL CO-OPERATION

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2017



Culture&

CULTURAL CO-OPERATION

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Culture&

COMPANY INFORMATION FOR THE YEAR ENDED 31 MARCH 2017

DIRECTORS & TRUSTEES:	Ms Catherine Pestano (from July 2014) (Chair) Ms Vidya Thirunarayan Mr Mahabur Rahman (Treasurer) Mr Ashley Elsdon Ms Caroline Monaghan-Fox
CHIEF EXECUTIVE OFFICER:	Errol Francis
COMPANY NUMBER:	2228599
CHARITY NUMBER:	801111
REGISTERED OFFICE:	Office 3 9 Thorpe Close London W10 5XL
BANKERS:	Charities Aid Foundation Cash Accounts (CAF Bank) P O Box 289 Kings Hill West Malling Kent ME19 4TA
AUDITORS:	Goldwins Limited 75 Maygrove Road West Hampstead London, NW6 2EG

Culture&

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

The Directors and Trustees present their report and accounts for the year ended 31 March 2017.

Objectives of the charity

Cultural Co-operation trading as Culture& (hereinafter Culture&) was formed in 1987 to promote intercultural contact, dialogue and understanding. It does this through a well-established programme of not-for-profit public activities that encourage high quality engagement with the world's rich and diverse cultural heritage. During the year the Trustees have rebranded the organisation which now trades as Culture&.

Principal public activities

The rebranding process also reconfigured Culture&'s activities into two discrete, yet complementary, activity strands. These are represented on the new website www.cultureand.org was launched in March, which sets out the new branding and programme strands.

In 2015/16 these activities were reviewed by the Board of Directors as part of their commitment to creating a new vision, activity plan and organisational structure for the charity:

1. **Education & Training Programme** offers work-based training in arts and heritage organisations. Since June 2013, Culture& has operated as an accredited Training Centre for the QCF Diploma in Cultural Heritage, which is offered to learners on the Heritage Lottery Fund (HLF) *Strengthening our Common Life* project (SOCL). This has been rebranded as the New Museum School that will also encompass support and professional development for SOCL alumni and offer management level traineeships, placements and international exchanges. During the year, the final cohort of SOCL was under delivery and bids were prepared for the Heritage Lottery Fund and Arts Council England to support the New Museum School.
2. **Arts Commissioning and Public Programmes** replaces the previous festival showcases and now involves a wider range of art forms apart from world music. Currently two major commissions are being developed in theatre and contemporary classical music. The new arts programme will also encompass cross arts festivals, joint programming with other arts and heritage organisations and educational activities such as talks, and conferences. Under this strand, there were three major pieces of work in development during the period of this report: the development of a new commission by Racheal Ofori and the Anxiety Fanfare that was delivered as part of the Hull City of Culture and New Music Biennial.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

ORGANISATIONAL STRUCTURE

Cultural Co-operation, trading as Culture&, is a Registered Charity (no: 801111), constituted as a Company Limited by Guarantee (no: 2228599) and governed by a Memorandum and Articles of Association.

There is a voluntary Board of Directors/Trustees. The Board also monitors charity affairs to ensure its systems and procedures are fit for purpose and able to manage any identified risks to funded programmes.

New Trustees are elected by the existing Board, having been recommended initially by existing Trustees, funders and project partners, and/or recruited via public advertisement, including through non-profit volunteer support services to charities like NCVO, REACH and through advertisements on the Arts Council England website.

The present Trustees are

Catherine Pestano (Chair)
Ashley Elsdon
Vidya Thirunarayan
Caroline Monaghan-Fox

The present Chief Executive is Errol Francis who manages the staff team and leads in strategic direction of the organisation and is also artistic director of the Culture& public programmes.

Registered address

The organisation's registered address is

36 Sara Lane Studios
60 Stanway Street
London
N1 6RE

Culture&

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

Fundraising

2014/15 was Cultural Co-operation's final year of Arts Council England National Portfolio Organisation core funding, which came to an end in March 2015. Culture& has submitted an application for NPO status as a Sector Support Organisation from 2018 to 2020.

An application was successfully submitted to Arts Council England's Grants for the Arts to support the co-production of the Anxiety Fanfare in collaboration with Jocelyn Pook, the Hull City of Culture and the PRS Foundation for Music New Music Biennial and the research and development of the commission of a new play by Racheal Ofori.

After the successful submission of a stage one application to the Heritage Lottery Fund to support the New Museum School a stage two application is being prepared. After the unsuccessful application to the Museums Association Collection Fund, an application to the Esmée Fairbairn Foundation for *Organisations at a Pivotal Point of Change* is being prepared.

Additional applications to support core funding to the Esmée Fairbairn Foundation and other Foundations are being prepared.

Organisational development and restructuring

The past year has been one of intense activity and change for the charity and Culture&'s Board of Directors continued a period of organisational review and development as funding streams come to an end and bids are prepared for new funders to support our future programme. This has resulted in some turnover of staff during the year. However, stability for the delivery of the SOCL programme was maintained.

The General Manager role previously held by Fanny Martin has been reviewed as Finance and Admin Manager and is now held by Kate Sarley who joined the organisation in February 2016.

SOCL Programme Coordinator role previously held by Navjot Mangat is now held by Yejide Adeoye who joined Culture& in March 2016. Curator of Programmes Karen Alexander remains in post. There is a new team of associate consultants delivering accreditation of SOCL traineeships are held by Laura Lewis-Davies along with Jill Notley and Mel Taylor as internal and external verifiers. Following the departure of Laura Lewis-Davies, Jenny Wedgbury as lead assessor now heads the assessment team.

The management team has maintained stability for the organisation and its programmes, successfully delivering activity in two concurrent programmes, namely: the third and final cohort of the heritage training programme SOCL3; Year 3 and the development of a new public programme of arts and heritage commissions.

Accountancy

The Culture& Finance and Office Manager carried out basic cash bookkeeping and accountancy with support from the Treasurer and Accountants.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

Trainees and Interns

Culture& is very grateful to our trainees and interns for their invaluable support during the year. We pay special thanks to our Communications Officer Layla Gatens and to Sofia Santini from Syracuse University who completed an internship with us from December to March 2017.

PUBLIC ACTIVITIES

Programme Strand 1: Education & Training

Strengthening Our Common Life (SOCL)

The Heritage Lottery Funded Skills for the Future Programme SOCL 3 Year 3 was being successfully delivered during the year with the graduation event at the British Museum. At the end of the programme 87 trainees are anticipated to have completed the placements and there is an anticipated 99% completion rate for the traineeships.

Continued contact with SOCL alumni has been planned under the New Museum School Alumni Programme to offer continuous professional development to trainees.

Culture& has continued its relationship with the Awarding Organisation BIIAB for the Diploma to maintain Culture&' status as an accredited training centre and to maintain standardisation of the qualification. Evaluation of the delivery of the entire programme is currently underway by the University of West London.

SOCL 3 Year 3 Delivery

Recruitment for the final year of SOCL was completed in December 2016, having received a total of 310 applicants, 11 trainees begun their traineeships and the five remaining trainees are to begin in January 2017. The trainees are all well settled into their placements and continuing successfully. Host partners for SOCL 3 Year 3 are:

Birmingham Museum and Art Gallery
British Library
British Museum
English Heritage
Forty Hall and Estate Enfield
Historic Royal Palaces
London Transport Museum
Museum of Croydon
National Army Museum
Norfolk Museums Service
Royal Collection Trust
Royal Pavilion Brighton and Hove
Southbank Centre

SOCL continues to be a major success story for Culture&. SOCL is now a nationally recognised and widely praised contributor to the goal of diversifying the workforce of the UK cultural heritage sector. Culture& continues to be called upon by other heritage organisations for consultancy and support in diversifying recruitment and the heritage workforce and it is envisaged that during 2017 recruitment and accreditation services will be provided to heritage

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

partners seeking to diversify their workforce as an income generating strand of work. On the back of this success Culture& has formed a new consortium with A New Direction to deliver the New Museum School following our successful Stage One bid to the Heritage Lottery Fund. The New Museum School is currently under development and includes range of partners, including some old ones:

Battersea Arts Centre
British Film Institute
Design Museum
English Heritage Trust
Forty Hall and Estate
London Transport Museum
National Trust
Royal Academy of Arts
Royal Museum Greenwich
Southbank Centre
Whitechapel Gallery
William Morris Gallery

The New Museum School will focus on a new demographic of more socially and culturally diverse trainees and a new sandwich course structure that focuses on heritage sector skills gaps such as digital and conservation and features expanded professional development and group learning opportunities.

Programme Strand 2: Arts Commissions and Public Programmes

There continued to be collaboration with Resonance FM Heritage Shows hosted by DJ Ritu to showcase the work of SOCL trainees, which have broadcast 17 shows during the year, each featuring the work of a different trainee and heritage institution.

The development of two new commissions, as part of the new strategy of diversifying the range of art forms that are programmed is in progress. Two major live events were developed and delivered during the year. The first commission is with the London International Gospel Choir who will be working with renowned contemporary classical composer Jocelyn Pook to perform her *Anxiety Fanfare and Variations for Voices and Ensemble*. The work is to be performed in July 2017 as part of the New Music Biennial at the Royal Festival Hall and again at the Albemarle Music Centre in Hull as part of the Hull City of Culture 2017. The performance of the Fanfare will also be broadcast on BBC Radio 3. The performances are supported by the PRS Foundation for Music and Arts Council England.

The second new commission is a new play by playwright and actor Racheal Ofori, which has been developed in collaboration with Hackney Empire and Rich Mix. The new work, provisionally entitled *Detangled* explored the cultural heritage of London through the prism of hair culture and has been researched and developed with young people in East London. A sharing day was delivered in December at Hackney Empire to which venue managers were invited with a view to securing a national tour for the new work in 2017 after which it is expected to tour and be performed the Edinburgh Festival. The new structure and programme of activities will be showcased in the new cultureand.org website which is currently under construction.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

Financial review and reserves policy

In 2016-17 Cultural Co-operation had a net surplus of £69,615 compared with a deficit of £113,269 in 2015-16. The accumulated reserves at 31 March 2017 of £50,042 which is an unrestricted fund and this amount is designated funds for future programme and operational costs. The charity seeks to retain 3-6 months operating costs in reserve to meet project cashflow needs and unforeseen expenses or significant shortfalls in anticipated income.

The Board and management team has taken prudent steps to reduce costs and tighten financial management due to the end of funding from the Heritage Lottery Fund. This has allowed the charity to carry forward a substantial surplus in order to offset an anticipated tightening of the financial position next year whilst we transition to new funding streams.

The Trustees have set a reserves policy which requires reserves be developed to a reasonable level, which ensures that the organisation's core activities could continue during a period of unforeseen difficulty.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

Statement of Trustee's Responsibilities

The Trustees are required by law to prepare financial statements for each financial year, which give a true and fair view of the financial activities of the company and of its financial position at the end of that year. In preparing those financial statements, the Trustees are required to:

- State whether the policies adopted are in accordance with the Companies Act 2006 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements.
- Select suitable accounting policies and apply them consistently
- Make judgments and estimates that are reasonable and prudent
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records, which can be disclosed with reasonable accuracy at any time, about the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Public benefit

The principal activities of the charity during the year continued to be to that of promoting cultural diversity, dialogue and understanding through workforce and arts and heritage programming. The trustees are aware of the Charity Commission guidance on public benefit reporting as set out in Section 17 Charities Act 2011. The trustees believe that the charity achieves a public benefit by providing these services as detailed earlier in this report.

Small company exemptions

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

Approval

This report was approved by the Board of Directors and Trustees and signed on its behalf by:



Signed

Catherine Pestano Chair

Date 18 December 2017

Independent examiner's report to the trustees of CULTURAL CO-OPERATION, Charitable Company ('the Company')

I report on the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2017.

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

Since the Company's gross income exceeded £250,000, I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no 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.


Anthony Epton BA FCA CTA FCIE
Goldwins
Chartered accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

19 December 2017

Cultural Co-Operation
Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2017

	Note	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Income from:					
Donations and legacies	3	20	-	20	163
Charitable activities					
Strengthening our Common Life (SOCL)	4	13,382	539,488	552,870	355,205
Other trading activities		-	-	-	-
Investments	5	7	-	7	15
Other		-	-	-	-
Total income		13,409	539,488	552,897	355,383
Expenditure on:					
Raising funds	6	5,289	-	5,289	-
Charitable activities	6				
Strengthening our Common Life (SOCL)		30,380	447,613	477,993	468,652
Other		-	-	-	-
Total expenditure		35,669	447,613	483,282	468,652
Net income / (expenditure) before net gains / (losses) on investments		(22,260)	91,875	69,615	(113,269)
Net gains / (losses) on investments		-	-	-	-
Net income / (expenditure) for the year	7	(22,260)	91,875	69,615	(113,269)
Transfers between funds		-	-	-	-
Net income / (expenditure) before other recognised gains and losses		(22,260)	91,875	69,615	(113,269)
Net movement in funds		(22,260)	91,875	69,615	(113,269)
Reconciliation of funds:					
Total funds brought forward		72,302	-	72,302	185,571
Total funds carried forward		50,042	91,875	141,917	72,302

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

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**Cultural Co-Operation
Balance sheet**

Company no. 2228599

As at 31 March 2017

	Note	£	2017 £	£	2016 £
Fixed assets:					
Tangible assets	12		-		253
			-		253
Current assets:					
Debtors	13	73,286		94,539	
Cash at bank and in hand		70,841		44,086	
		144,127		138,625	
Liabilities:					
Creditors: amounts falling due within one year	14	2,210		66,576	
Net current assets / (liabilities)			141,917		72,049
Total assets less current liabilities			141,917		72,302
Creditors: amounts falling due after one year			-		-
Net assets excluding pension asset / (liability)			141,917		72,302
Defined benefit pension scheme asset / (liability)			-		-
Total net assets / (liabilities)			141,917		72,302
The funds of the charity:	17				
Restricted income funds			91,875		-
Unrestricted income funds:					
General funds		50,042		72,302	
Total unrestricted funds			50,042		72,302
Total charity funds			141,917		72,302

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 and members have not required the charitable company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2017 and of its net incoming/(outgoing) resources for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and 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 (FRS 102 – effective 1 January 2015).

Approved by the trustees on 18 December 2017 and signed on their behalf by



Catherine Pestano
Chair

Cultural Co-Operation
Statement of cash flows

For the year ended 31 March 2017

	Note	2017 £	2016 £
Cash flows from operating activities	18		
Net cash provided by / (used in) operating activities		26,755	(7,730)
Cash flows from investing activities:			
Dividends, interest and rents from investments		-	-
Proceeds from the sale of fixed assets		-	-
Purchase of fixed assets		-	-
Proceeds from sale of investments		-	-
Purchase of investments		-	-
Net cash provided by / (used in) investing activities		-	-
Cash flows from financing activities:			
Repayments of borrowing		-	-
Cash inflows from new borrowing		-	-
Receipt of endowment		-	-
Net cash provided by / (used in) financing activities		-	-
Change in cash and cash equivalents in the year		26,755	(7,730)
Cash and cash equivalents at the beginning of the year		44,086	51,816
Change in cash and cash equivalents due to exchange rate movements		-	-
Cash and cash equivalents at the end of the year	19	70,841	44,086

1 Accounting policies

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 (FRS 102 – effective 1 January 2015) – (Charities SORP FRS 102) and the Companies Act 2006.

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 April 2014.

No restatement was required.

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Key judgements that the charitable company has made which have a significant effect on the accounts. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

For the year ended 31 March 2017

1 Accounting policies (continued)

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Office equipment

25% straight line

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

Cultural Co-Operation
Notes to the financial statements

For the year ended 31 March 2017

1 Accounting policies (continued)

n) 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.

o) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The charity operates stateholder pension scheme.

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2016 Total £
Income from:			
Donations and legacies	163	-	163
Charitable activities			
Strengthening our Common Life (SOCL)	1,153	354,052	355,205
Other trading activities	-	-	-
Investments	15	-	15
Other	-	-	-
Total income	1,331	354,052	355,383
Expenditure on:			
Raising funds	-	-	-
Charitable activities			
Strengthening our Common Life (SOCL)	114,600	354,052	468,652
Other	-	-	-
Total expenditure	114,600	354,052	468,652
Net income / expenditure before gains / (losses) on investments	(113,269)	-	(113,269)
Net gains / (losses) on investments	-	-	-
Net income / expenditure	(113,269)	-	(113,269)
Transfers between funds	-	-	-
Net income / (expenditure) before other recognised gains and losses	(113,269)	-	(113,269)
Gains / (losses) on revaluation of fixed assets	-	-	-
Actuarial gains / (losses) on defined benefit pension schemes	-	-	-
Other gains / (losses)	-	-	-
Net movement in funds	(113,269)	-	(113,269)
Total funds brought forward	185,571	-	185,571
Total funds carried forward	72,302	-	72,302

Cultural Co-Operation
Notes to the financial statements

For the year ended 31 March 2017

3 Income from donations and legacies

	Unrestricted £	Restricted £	2017 total Total £	2016 Total £
Donations	20	-	20	163
Intangible volunteer in kind support	-	-	-	-
	<u>20</u>	<u>-</u>	<u>20</u>	<u>163</u>

4 Income from charitable activities

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
<u>Grant incomes</u>				
ACE England London	11,065	-	11,065	-
Heritage Lottery Fund (HLF)	-	355,738	355,738	219,052
<u>Partnership Income</u>				
Project Partners SOCL	-	183,750	183,750	135,000
<u>Other incomes</u>				
Other Artistic Projects	2,317	-	2,317	1,153
Total income from charitable activities	<u>13,382</u>	<u>539,488</u>	<u>552,870</u>	<u>355,205</u>

5 Income from investments

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Investment income	7	-	7	15
	<u>7</u>	<u>-</u>	<u>7</u>	<u>15</u>

Cultural Co-Operation
Notes to the financial statements

For the year ended 31 March 2017

6 Analysis of expenditure

	Cost of raising funds £	Charitable activities £	Support costs £	2017 Total £	2016 Total £
Staff costs (Note 8)	-	93,490	17,285	110,775	116,554
Direct cost					
Artists project	-	10,373	-	10,373	-
Strengthening our Common Life (SOCL)	-	274,135	-	274,135	304,939
Others	-	3,065	-	3,065	-
Consultancy fee	-	2,640	-	2,640	-
Support cost					
Telephony and broadband	-	-	3,290	3,290	5,024
Printing, postage and stationery	-	-	166	166	74
Computer costs	-	-	2,785	2,785	-
Equipment consumables	-	-	8,354	8,354	892
Office supplies and maintenance	-	-	18,688	18,688	9,834
Office rent & rates	-	-	14,216	14,216	21,101
Legal and professional fees	-	-	48	48	1,880
Board of director's costs	-	-	256	256	1,621
Marketing	5,289	-	6,336	11,625	-
Strategic development	-	-	18,000	18,000	-
Travelling	-	-	31	31	125
Training and recruitment	-	-	-	-	651
Insurance	-	-	1,765	1,765	1,902
Accountancy fees	-	-	2,578	2,578	2,140
Bank charges	-	-	91	91	442
Sundry	-	-	-	-	1,220
Subscription	-	-	148	148	-
Depreciation	-	-	253	253	253
	5,289	383,703	94,290	483,282	468,652
Support costs	-	94,290	(94,290)	-	-
Total expenditure 2017	5,289	477,993	-	483,282	468,652
Total expenditure 2016	-	346,695	121,957	468,652	

Of the total expenditure, £35,669 was unrestricted (2016: £114,600) and £447,613 was restricted (2016: £354,052).

Cultural Co-Operation
Notes to the financial statements

For the year ended 31 March 2017

7 Net Incoming resources for the year

This is stated after charging / crediting:

	2017	2016
	£	£
Depreciation	253	253
Operating lease rentals:		
Property	12,635	21,101
Independent examiner's fees	2,210	2,140
	<u>2,210</u>	<u>2,140</u>

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2017	2016
	£	£
Salaries and wages	102,997	105,699
Social security costs	7,778	10,855
Employer's contribution to defined contribution pension schemes	-	-
	<u>110,775</u>	<u>116,554</u>

No employee earned more than £60,000 during the year (2016: nil).

The total employee benefits including pension and national insurance contributions of the key management personnel were £48,953 (2016: £43,864).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2016: £nil). No charity trustee received payment for professional or other services supplied to the charity (2016: £nil). One trustee reimbursed expenses during the year £256.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2017 No.	2016 No.
Raising funds	-	-
Strengthening our Common Life (SOCL)	3	3
Support	2	2
	<u>5</u>	<u>5</u>

10 Related party transactions

There are no related party transactions to disclose for 2017 (2016: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Cultural Co-Operation
Notes to the financial statements

For the year ended 31 March 2017

12 Tangible fixed assets

	Fixtures, fittings and Equipment £	Total £
Cost		
At the start of the year	28,961	28,961
Additions in year	-	-
Disposals in year	-	-
	<hr/>	<hr/>
At the end of the year	28,961	28,961
Depreciation		
At the start of the year	28,708	28,708
Charge for the year	253	253
Eliminated on disposal	-	-
	<hr/>	<hr/>
At the end of the year	28,961	28,961
Net book value		
At the end of the year	-	-
	<hr/>	<hr/>
At the start of the year	253	253
	<hr/>	<hr/>

All of the above assets are used for charitable purposes.

13 Debtors

	2017 £	2016 £
Other debtors	67,999	92,839
Taxation and social security	5,287	-
Prepayments	-	1,700
	<hr/>	<hr/>
	73,286	94,539
	<hr/>	<hr/>

14 Creditors: amounts falling due within one year

	2017 £	2016 £
Taxation and social security	-	7506
Accruals	2,210	2,820
Deferred income	-	56,250
	<hr/>	<hr/>
	2,210	66,576
	<hr/>	<hr/>

15 Deferred income

Deferred income comprises Host Partner contribution for the Strengthening Our Common Life (SOCL3, Year 2) project for trainees.

	2017 £	2016 £
Balance at the beginning of the year	56,250	56,250
Amount released to income in the year	(56,250)	(56,250)
Amount deferred in the year	-	56,250
	<hr/>	<hr/>
Balance at the end of the year	-	56,250
	<hr/>	<hr/>

Cultural Co-Operation
Notes to the financial statements

For the year ended 31 March 2017

16 Analysis of net assets between funds

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	-	-	-
Net current assets	50,042	-	91,875	141,917
Net assets at the end of the year	50,042	-	91,875	141,917

17 Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:	-	539,488	(447,613)	-	91,875
Total restricted funds	-	539,488	(447,613)	-	91,875
Unrestricted funds:					
General funds	72,302	13,409	(35,669)	-	50,042
Total unrestricted funds	72,302	13,409	(35,669)	-	50,042
Total funds	72,302	552,897	(483,282)	-	141,917

The unrestricted reserves are in respect of designated funds for future programme and operational costs.

The restricted reserves are in respect of Host Partner contribution for the Strengthening Our Common Life (SOCL3, Year 3) project for trainees.

The charity seeks to retain 3-6 months operating costs in reserve to meet project cashflow needs and unforeseen expenses or significant shortfalls in anticipated income.

18 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2017 £	2016 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	69,615	(113,269)
Depreciation charges	253	253
Gains/(losses) on investments	-	-
Dividends, interest and rent from investments	-	-
(Loss)/profit on the sale of fixed assets	-	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	21,253	100,936
Increase/(decrease) in creditors	(64,366)	4,350
Net cash provided by / (used in) operating activities	26,755	(7,730)

Cultural Co-Operation
Notes to the financial statements

For the year ended 31 March 2017

19 Analysis of cash and cash equivalents

	At 1 April 2016 £	Cash flows £	Other changes £	At 31 March 2017 £
Cash in hand	44,086	26,755	-	70,841
Total cash and cash equivalents	44,086	26,755	-	70,841

20 Operating lease commitments

The charity has no future minimum lease payments under non-cancellable operating leases.

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.