

Registered number: 04591795
Charity number: 1095460

STOCKTON ARTS CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

STOCKTON ARTS CENTRE
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022

Trustees	A J D Bowman K C Craddock M Crocker I A Din D Mallaghan P J Masheder J McCann J E Robinson L Snowball
Company registered number	04591795
Charity registered number	1095460
Registered office	ARC Dovecot Street Stockton on Tees Tees Valley TS18 1LL
Chief executive officer	Annabel Turpin
Independent auditors	Waltons Business Advisers Limited Chartered Accountants Maritime House Harbour Walk The Marina Hartlepool Teesside TS24 0UX

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements of the Group and Charity for the year 1 April 2021 to 31 March 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) 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 2019).

Since the Group and the Charity qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Context

Given the huge impact of the global COVID-19 pandemic between 2020-22, it feels important to acknowledge the trading conditions over the past two years.

During the year 2020-21, ARC was only able to open its building for nine weeks due to the global COVID-19 pandemic and associated lockdown restrictions. Although we continued to deliver creative activity remotely for our communities, providing a vital lifeline to many people struggling with isolation and other impacts of lockdown, closure of the building had a major impact on our business model.

In May 2021 restrictions were lifted and we re-opened the building, but activity remained lower than pre-pandemic levels. We moved our creative learning programme from its 'online' home back into the building immediately, restarted our film programme in June, and ran some live events on a socially distanced basis in June/July. Alongside this, our artist and community-led activity continued in whatever form it was planned in, and we continued to provide access to events and activities online as much as possible, to broaden our reach to those who could not come to the building in person.

We were forced to reschedule some live music and comedy events in the May-July 2021 period as they were not financially viable for the promoters until we returned to full capacities.

Government restrictions on capacities for venues were lifted from Monday 19 July 2021. At this point, case levels in Stockton and the Tees Valley were extremely high, and we took a cautious approach. We maintained capacity restrictions for a further five weeks, returning to full capacities from Monday 22 Aug 2021. We kept all other COVID-19 secure procedures, including a requirement to wear masks, in place until 31 March 2022 in order to maintain the safety of our staff, customers and artists.

We continued to use the operating model adopted in autumn 2020 to minimise costs, working with slightly reduced building opening hours. Whilst we will maintain the flexibility to extend hours for special events, or as customer numbers demand, we anticipate core hours remaining the same for the foreseeable future to reduce pressure on costs. Overall, activities across our live, film and creative learning programmes were c60% of pre-pandemic levels.

One positive outcome from the pandemic was that the importance of ARC and the opportunities and experiences we create in people's lives became more apparent. The positive response to reopening and feedback we received underlined how much our local communities value our work – seeing ARC as a safe, welcoming place where they could experience arts and culture and enjoy positive, social interaction.

Despite the financial challenges ahead, as we rebuild our business, we are committed to continuing to deliver as much activity as resources allow.

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FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

Stockton Arts Centre is a registered charity number 1095460 governed by its memorandum and articles of association and a company limited by guarantee.

The number of trustees, who are also the directors for the purpose of company law, was increased to eight with an additional appointment during the year. The Trustees were:

	Board meetings attended
Aaron Bowman	4 out of 5
Kate Craddock (resigned Sept 2022)	3 out of 5
Maria Crocker	5 out of 5
Ishy Din (resigned Sept 2022)	4 out of 5
Dan Mallaghan	5 out of 5
Patrick Masheder	5 out of 5
John McCann	5 out of 5
Jane Robinson	3 out of 5
Sharuna Sagar (appointed Sept 2022)	N/A
Lynne Snowball (Chair)	5 out of 5
Nina White (appointed Sept 2022)	N/A

ARC's Board of Trustees is responsible for ensuring ARC's aims and objectives are achieved. It is responsible for forward strategy and direction, approving the annual business plan and budget, and monitoring performance and delivery, supporting the Chief Executive and her team. Board Trustees have a diverse range of skills, experience and backgrounds, bringing a broad range of perspectives to board discussions and decisions.

ARC is committed to continuing to increase the diversity of the Board and advertises widely to identify prospective trustees. The recruitment processes were reviewed and changed in 2021 to support this aim. Suitable candidates are invited to meet the Chair, Chief Executive and other trustees to discuss the opportunity of joining ARC's Board. If it is decided to proceed with the appointment, prospective trustees are invited to observe a Board meeting before a final decision – by both parties – is made.

New trustees have a full induction process and are provided with an extensive package of information relating to the charity including job description, current and historical financial information, minutes of Board meetings, and the current business plan.

The Board of Trustees meets quarterly to administer the charity and formally considers ARC's mission, aims and objectives at least once a year. Ad hoc working groups or advisory groups are convened from time to time.

The Finance Sub-committee meets three times during the year to discuss in detail the annual budget forecast outturn and annual financial reporting to inform the Board's considerations and decision-making process. Monthly management accounts are circulated to the nominated Finance sub-committee representatives, who include the Chair of the Board, to ensure prompt review of performance. Terms of Reference were reviewed by the Board in March 2022.

None of the trustees have any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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An executive director is appointed by the Trustees to manage the day to day operations of the charity. The Chief Executive and Artistic Director, Annabel Turpin, is supported by a deputy, Operations Manager Shaun Dowd, and a management team of seven.

Objectives and activities

● **Policies and objectives**

The objects of the Charity are to promote, maintain, improve and advance the knowledge, understanding and appreciation of the arts and popular culture, primarily among the inhabitants of the Tees Valley.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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Objectives and activities (continued)

• **Strategies for achieving objectives**

To achieve its objects the charity has defined its mission as follows:

ARC is an organisation working from its venue to enhance the wellbeing of the whole community of Stockton and the Tees Valley, through arts and creative activity, through widening opportunities to experience and participate in the arts, and through partnership with other organisations.

To deliver this mission the charity has undertaken to achieve the following aims:

- To make an important contribution to the social and economic regeneration of Stockton and the Tees Valley
- To present a multi-artform programme of activity that is contemporary and relevant to our audiences
- To increase the number and range of people engaging with ARC
- To support and develop artists to create excellent work relevant to our audiences
- To support and develop a cultural workforce to support our ambitions
- To realise the creative potential of the local community
- To encourage the local community to invest in ARC through using its facilities
- To act as a catalyst for partnership and collaboration between public, private and voluntary sector organisations
- To increase our financial resilience and ability to adapt to economic change

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

During 2021/22, ARC's work was aligned with priorities set out in a transitional Business Plan, which covers the period 2021/22 – 2022/23. The plan sets out ARC's recovery plans and was produced in conjunction with the staff, Board and funding partners in response to the current context. It remains focussed on delivery of the above mission and aims, setting out a clear route map for the future of the charity as we build back from the disruption caused by the pandemic.

The Business Plan is used by the Management Team to inform and steer activity and monitor progress against the aims and objectives. The Board of Trustees monitors the delivery of the Business Plan at its quarterly meetings.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

Achievements and performance

● **Activities undertaken to achieve objectives**

Despite the disruption caused by COVID-19, and reduced levels of activity, ARC's performance this year has been positive in terms of quality and impact of activity, and associated engagement levels.

During 2021/22, ARC presented 156 professional performances, 26 community performances, 337 film screenings and live broadcasts, as well as delivering more than 360 workshops and classes. Audience figures exceeded 31,000, with c3,000 attendances at creative arts activities.

30 live performances were broadcast online, attracting audiences of c930.

Live programme

ARC has continued to deliver an exciting and diverse programme of activity, engaging and connecting people to each other and to new ideas.

Theatre, dance and multi-disciplinary work

We continued to support theatre, dance and multi-disciplinary artists to develop new work in partnership with ARC, to strengthen relationships and help us build deeper connections with our communities. The programme included a number of shows commissioned for online presentation whilst under restrictions, as well as live work. Examples of online work include a new film made by internationally renowned artist Natasha Davis with local asylum seekers and refugees; new work by Melody Sproates in collaboration with ARC Associate Scott Turnbull; in the Year 2072, a short film made by Andy Field & Beckie Darlington with children from Billingham South Primary School and a live streamed cabaret curated by local queer collective, Bordello.

Adam York Gregory and Gillian Lees' 24 hour durational installation and sonic exhibition Taking the Time was staged in Wellington Square shopping centre, capturing 1,440 memories from local people.

Disabled artists continued to feature in our programme, with ARC Associate Vici Wreford-Sinnott's audio piece, The Unsung; the premiere of learning disabled company The Lawnmowers Retake Remake, and a new circus promenade show, Parade of Horribles, developed at ARC with lead artist Mish Weaver.

ARC Productions included Daniel Bye & Boff Whalley's These Hills Are Ours and Luca Rutherford's You Heard Us, both of which are touring nationally, as well as Scott Turnbull's The Smog.

Three Artists of Change worked with us throughout 2021, directly employed to develop their own practice as well as support ARC to explore how our programme can better respond directly to the needs, interests and tastes of our local communities. Lizzie Lovejoy, Symoné and Lauren Vevers brought new perspectives into the organisation, developed new initiatives and programmes reflecting their artistic practice and lived experiences, extending our networks as well as impacting on how we work with artists and communities going forward.

We also extended our digital programme through an additional project grant from Arts Council England. We applied primarily to find ways of providing paid work for freelance artists whilst providing meaningful content for our audiences during the pandemic.

What's On Your Mind? was a series of digital artist commissions designed to reflect what is concerning our local communities in 2021. Freelance Creative Director, Paula Clark led a series of creative consultations to develop 14 provocations, commissioning a series of rapid response digital commissions created in response, broadcast twice-weekly Oct-Dec. Local film-maker Daniel Smith acted as a creative rapporteur, reviewing all 14 works and

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Objectives and activities (continued)

creating a legacy film that summarised what's on the minds of our communities. The project employed 17 artists and reached online audiences of c25,000.

Comedy & Music

We continued to attract high profile comedians to ARC, including Sarah Millican, Jason Manford, Gary Delaney, Reginald D Hunter and Sindhu Vee, while our music programme continues to flourish, with sellouts including The Young Uns, Glenn Tilbrook and local band The Wildcats of Kilkenny.

We continued to work with Master Musicians International to present monthly daytime classical recitals.

Family

ARC's family programme presented some of the best companies in the UK, including Stuff and Nonsense, Art with Heart, The Herd Theatre and Protein Dance, with shows for 3-7 year olds throughout the year as well as a Christmas show for this age range. We continue to support and commission family work in order to ensure we can present work that is relevant to, and reflective of, our local community.

In 2021/22 this included a new show by MOTH Physical Theatre, Jack and Jill and the Landfill, co-commissioned with The Civic in Barnsley and our fourth co-commissioned Christmas show with The Albany in Deptford, The Tin Foil Astronaut by ARC Associate Company, Kitchen Zoo.

Creative learning

We have continued to develop our creative learning programme, focussing on the quality of provision and a user-led ethos in terms of activity.

We work with a number of strategic partners to ensure we are reaching children and young people who have the least opportunity to engage in cultural activity. These include relationships with Eastern Ravens Trust (voluntary organisation supporting young carers) and Cornerhouse Youth Project (We Are TS18 – a dance group of young people from deprived backgrounds), We have also continued to work closely with Stockton Borough Council to deliver More Stuff Like This Please!, a programme of activity for children and young people in care.

ARC's programme of daytime activity for adults successfully transitioned from online only delivery to hybrid delivery, offering a range of regular workshops and classes including creative art, ballet pilates and music.

We continued to deliver Staying Out, an opportunity for older people either at risk of admission to or recently discharged from hospital. Funded by Stockton Borough Council through the Better Care Fund, its aim is to reduce hospital admissions/readmissions through improving people's social interaction and sense of wellbeing. Staying Out operates as an alternative to day care, providing a day long programme of creative activities such as arts and crafts, music and singing, creative use of technologies and creative writing.

Community-led programme

ARC's community-led programme continues to make an important contribution to the overall life of the centre, enabling us to reach a wider cross-section of our local community, helping to realise their creative ambitions. During 2021/22 we supported more than 26 community performances, featuring more than 1,000 young people performing and attracting audiences of c5,000.

Other community-led activity included Pizza and Pitches, our community commissioning programme which invites local people to share their ideas for creative activity, which are voted on by an audience. Projects developed through this scheme in 2021 included Creative Courage, a variety evening featuring work by local

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Objectives and activities (continued)

groups in aid of survivors of sexual abuse and violence; a mural project with Hopefields Education in Thornaby, for children and young people who experience additional social, emotional and mental health needs, and Creative Arts Recruitment, designed to help people engage with creative activities.

Cinema

Our cinema programme recommenced in June 2021, with mainstream and arthouse films supplemented by a number of live broadcasts from the National Theatre. Live cinema events included the Women X Film Festival, The Battle of Stockton community-led screening event, and post-film Q&A's involving film creatives after screenings of Salad Fingers, The Parapod Movie, Lipstick Under My Burkha and Granada Nights.

We have continued regular screenings of family films, providing opportunities for families to see films together every Saturday morning and during school holidays.

Exhibitions

We use our top floor foyer Gallery space to help reflect our local community, through exhibitions that are either locally curated or feature locally produced artworks. With a more coherent and consistent programme, we have been able to increase visitors as well as host a number of successful preview and launch events. Exhibitions included work created or curated by Dyad, Bobby Benjamin, Tees Valley New creatives as well as a series by Artist of Change Lizzie Lovejoy, exploring what it means to be Northern through the lens of home, family and class.

Supporting artists

ARC's programme of support for performance-based artists continues to make a positive impact and become further integrated within our core-programme, audience development and creative learning activity. Across 2021-22, ARC supported the development of more than 40 new performances by some of the UK's most exciting artists, including North East based artists Azula Bandit, Dominic-Nelson Ashley & Kitchen Zoo, mid-career artists including Aidan Moesby and Rowan McCabe, and established artists and companies such as Mish Weaver, Symone and Displace Yourself Theatre.

ARC's continued rental of a house in Stockton enabled us to offer free workspace and accommodation to artists across the year.

ARCADE, the performance artist network, consists of c100 active members from across the North of England. During the year, artists benefited from 2,400 hours of free space for R&D and rehearsals, and 100+ one-to-one surgery sessions.

During 2021/22, we continued to deliver Tees Valley New Creatives, a career starting programme of free support to help people completing further and higher education creative courses secure employment in the cultural industries and unlock new opportunities in their fields. Results from 2020-2022 show that <51% of members secured paid creative and cultural industries employment, predominately in the Tees Valley; filling 100+ different roles and commission opportunities including a number exclusively created with high profile stakeholders including SIRF and Borderlands. Additionally, <20 members utilised programme activity to initiate their entrepreneurial propensity in the region; with successful business start-ups ranging from theatre companies and stores selling self-created work online, to a film and media company which has now been awarded funding for future growth and sustainability.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

Partnerships

ARC works both locally and nationally. Partnership working has remained key to ARC's activity, as we continued to lead on initiatives including Venues North, a network committed to supporting new and emerging artists from the North to get their work more widely seen regionally, nationally and internationally, and co-lead Future Arts Centres (FAC), a network of more than 100 arts centres across the UK.

In 2019, FAC was commissioned to deliver Arts Council England's National Lottery 25th anniversary celebrations. This led to the development of Here and Now, a £1m national and local celebration of culture within communities. 40 new projects which were scheduled to take place in and around 40 arts centres across the country during 2020/21, led by artists and co-created with local people. Due to the pandemic, the project was extended to December 2021. Here and Now reached audiences of nearly 1m people, involved 2,500 participants, with projects led by 38 artists, 16 companies and 453 co-creators. A series of legacy podcasts were recorded and released at the end of the project.

Equality and diversity

ARC is committed to achieving equality and diversity in all aspects of our work and activities. Through our equality policy and action plan, approved by the Board, we have continued to embed diversity throughout our work.

We have built on our experience around disability through the Cultural Shift programme, which officially concluded in March 2018. The programme made a significant long term impact on the organisation, in terms of our artistic programme, practice, workforce and audiences. Legacy work has continued including support for our resident learning disabled theatre company, Full Circle, disabled-led club nights and an ongoing commitment to supporting and presenting disabled artists. Vici Wreford-Sinnott, who led our Cultural Shift programme, remains an Associate Artist, supported to make new work at ARC. We worked with Vici in 2021 to update our disability artistic policy, and to share our ongoing learning with the sector. We co-hosted an online event, attended by more than 80 venues from across the UK, which was accompanied by the publication of a new 30+ page resource outlining our experience, sharing ideas and including a number of questions and prompts to help other venues looking to embed disability equality in their organisations.

We were invited by Arts Council England to pilot and manage a new bursary programme to support disabled artists to participate in professional development activities, where access is a barrier. Access Fund North was launched in January 2022 and will run through to December 2022.

We continued to improve access facilities and communication, offering relaxed performances and screenings, BSL interpreted performances, subtitled films and audio description on all film screenings where available.

In 2021/22, prompted by the North East initiative Culture Against Racism, we developed and published our first Anti-Racism plan. Board and staff members were involved in identifying ways we could better educate ourselves, diversify our workforce, continue to ensure our programme is representative and hold ourselves accountable. The plan was monitored regularly throughout the year, and a public report made on progress alongside a plan for 2022/23 in June 2022.

In January 2022, we handed over ARC's building to Artist of Change Symone, along with a group of 15 Global Majority artists to stage Uprising, a weekend of informal performances, workshops, and discussions.

We continue to work closely with Curious Arts to shift our practice in relation to those identifying as LGBTQIA+, and with support from Film Hub North, launched Bigger Picture, an initiative to increase South Asian representation amongst both our film programme and audiences. We have continued to work with Displace Yourself to engage local refugees and asylum seekers through a monthly creative session.

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Objectives and activities (continued)

We published our diversity statistics for 2021-22 as part of our commitment to transparency:

Supported Artists	2021/22
Disabled	31%
LGBTQIA+	53%
Global Majority	26%
Working class backgrounds	36%
Workforce (staff/Board)	2021/22
Disabled	7%
LGBTQIA+	17%
Global Majority	8.5%
Working class backgrounds	43%

Strategic development

ARC continues to play an important role in strategic cultural development locally and nationally. Chief Executive & Artistic Director Annabel Turpin is Deputy Chair of the Local Enterprise Partnership (LEP) and Theme Lead for Creative Place. In May 2020 she was asked by the Tees Valley Mayor to lead an independent Cultural Industries and Visitor Economy Task Force, which oversaw the Tees Valley Combined Authority's £1m cultural recovery programme. She now co-chairs the Tees Valley Creative Place Advisory Group, which informs the Combined Authority's strategy and investment plans.

Audiences and participants

More than 31,000 watched live performance and film screenings at ARC in 2021/22, with c3,000 attendances at creative learning activities.

We have continued to employ dynamic pricing (budget airline style), as well as the innovative 'Pay What You Decide' model, first introduced in 2015, to ensure we are maximising both audiences and income. PWYD has been phenomenally successful, leading to significant increases in audience and income for new work. We published a free toolkit in May 2016, updated in 2019, and continue to offer advice and support to venues around the world adopting our approach.

We continue to use our comedy and music programme to maintain our cross-subsidy model, enabling us to support the development of a significant amount of new theatre and dance work.

We have maintained the breadth of our audience reach. Analysis of our audience data for 2021/22 has shown that 27.8% fall into the least engaged Audience Spectrum categories (compared to 27.2% in 2019/20), against a target of 20%:

- 8.7% Up our Street
- 11.4% Facebook Families
- 3.8% Kaleidoscope Creativity
- 3.9% Heydays

This achievement in terms of the breadth of our audiences has been underpinned by strong and consistent programming as well as high quality, targeted marketing and development activity.

All our marketing and promotion is highly targeted and supported by excellent data capture, fully compliant with

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Objectives and activities (continued)

GDPR. We continue to develop our marketing and audience development activity, with a drive to entice previous audiences back, post pandemic, increase frequency of attendance and attract new audiences.

We monitor feedback from audiences and artists via post-show talks, both formal/informal; social media; weekly discussions at staff meetings; Arts Council assessments and online surveys. Our annual survey for 2021/22 show 96% of customers rated their overall enjoyment as Good or Excellent; 95% rated the quality of the event as Good or Excellent and 95% rated value for money as Good or Excellent.

No 60 – food and drink

ARC wholly owned trading subsidiary company (Stockton Arts Centre (Trading) Ltd) which provides ARC's catering service under the brand 'No 60' recommenced service as the building reopened in May 2021.

ARC recognises that No 60 makes an important contribution to the way customers perceive the organisation, playing a key part in providing a safe, welcoming place where people enjoy positive, social interaction alongside creative activities and cultural experiences. For that reason, it committed to supporting it through recovery during 2021/22, acknowledging that an immediate return to profit was unlikely given its dependence on the rebuilding of ARC's programme and footfall. However changes in the operating model meant that trading results exceeded expectations.

Fundraising

ARC's fundraising activity is led by the Chief Executive, supported by other staff. ARC operates outside of the voluntary fundraising regulator scheme, as the organisation's fundraising expenditure is well below the limit of £100,000 that requires registration. However, we are aware of the code and ensure that we operate in accordance with it at all times. Our fundraising activity targeting individuals is almost exclusively carried out at the point of ticket sale, minimising the risk of any individual being approached in a persistent or intrusive way.

Financial review

• **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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● **Financial position**

Following a number of years achieving a trading surplus and building reserves, ARC went into the pandemic in a reasonably strong financial position. This position was maintained through effective use of the Job Retention Scheme alongside successful fundraising from a number of sources, including Arts Council England's Culture Recovery Fund, Stockton Borough Council's Small Business Support scheme, trusts and foundations such as the Weston Culture Fund and Esmee Fairbairn, and sector-specific support from Film Hub North.

ARC's Statement of Financial Activities show a turnover of £2.07m in 2021-22, a slight increase on last year (£1.98m) and c8% decrease on 2019/20. Due to a reduction in costs, alongside successful fundraising – including a Cultural Recovery Fund award to boost our reserves, we made an unrestricted surplus of c£90k.

In June 2020, in light of the pandemic, the Trustees agreed an increase to the level of reserves set in our reserves policy from £210k (equivalent of three months operational costs) to £250k. However, the ongoing impact of COVID-19 during 2021/22 demonstrated the importance of retaining reserves to support recovery. At the end of 2021/22, the unrestricted reserves level was above target at £337k, which provides some financial resilience in the face of a slow recovery period compounded by high inflation and the cost of living crisis.

Reserves policy

Reserves will be largely used to support ARC's continuing costs during recovery enabling us to continue subsidising activities and investing in re-engaging our communities. The Board has agreed a medium-term financial plan to utilise reserves on a one-off basis over the next two years to maintain activity as ARC recovers from the impact of the pandemic. Financial plans and forecasts have been revised on the basis of expected scenarios going forward and Trustees are satisfied that ARC has adequate resources to continue as a going concern for the coming year.

ARC's forward plans are focussed on rebuilding our income from all sources, particularly our earned income which was reduced to zero during the closure. We will continue to seek funding from other sources, including charitable trusts and foundations, and invite the public to make donations to support our ongoing charitable activity.

ARC is currently part of Arts Council England's National Portfolio, and in June 2017 secured funding for a further four years through to 2021/22, and has also agreed continued funding with Stockton on Tees Borough Council (SBC) for the same period, under an ongoing service level agreement. In the light of COVID-19, Arts Council England's funding has been extended to March 2023. Both SBC and ACE nominate observers to monitor the charitable objectives through attendance at the quarterly Board meetings.

Pay and remuneration for staff is approved as part of the annual budget review. The Chief Executive recommends any organisation-wide increase, taking into account current trends and levels of inflation, which is discussed and approved by the Board. The Chief Executive's pay sits outside of this process and is discussed and approved by the Board following an annual performance review. ARC regularly benchmarks salaries with other UK arts centres which feeds into these processes.

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● **Principal risks and uncertainties**

The Trustees monitor progress against ARC's Business Plan and have risk management processes in place. There is a comprehensive review of risks annually, as part of the business planning process, with ongoing review at each board meeting. As part of this process, the Trustees have further improved the risk management strategy and process, categorising across four areas – governance and management, physical, financial and artistic. The likelihood and possible impact of risks are graded as high, medium or low. Specific action, systems, controls and procedures are in place to mitigate identified risks. There are three risks categorised as high.

The most significant risk was the ongoing impact of COVID-19. A detailed plan and revised financial forecasts were developed to manage closure and re-opening, utilising a large proportion of the reserves built up in previous years to mitigate financial impact. Local and national guidance has been monitored and acted upon as appropriate. Trustees have been kept fully updated on the developing situation, with regular detailed briefings from the Chief Executive on impact and forward plans.

Physical risks include failure of essential plant and equipment. To mitigate this risk ARC has successfully fundraised and invested more than £1m since 2013 in capital improvements, replacements and renewals. Alongside this, a more proactive repairs and maintenance programme is being developed.

The most significant governance and management risk is the loss of the Chief Executive/Artistic Director. ARC has made significant steps to build the resilience of the organisation, restructuring the staff team in 2016 to introduce an Operations Director & Deputy Chief Executive role, and reviewing organisational resilience annually. ARC's growth has facilitated the increase of the management team to seven, reducing the reliance on the Chief Executive. A comprehensive Business Plan and strategic planning processes also provides continuity.

Plans for future periods

Despite the challenges posed by COVID-19 and the resulting need to comply with social distancing measures, ARC is positive about its future. During 2021, we developed an outline plan for the period 2023-2026, setting out our longer term recovery plans as well as ambitions for the future.

We will be using funds designated for COVID-19 recovery during 2022/23 to support a deficit budget, ensuring that we are able to continue using arts and cultural activity to strengthen our local community, bringing people together. At this stage, anticipate needing to draw on reserves in 2023/23 before returning to a break even trading position in 2023/24. However, uncertainty around inflation makes future projections even more speculative than usual, but our close monitoring and robust financial management will ensure that we continue to react to changes in time to make necessary interventions.

In late 2022, we will start to develop our outline plan into a full Business Plan, once we have confirmation of our Arts Council funding status for 2023-2026 (decision due in October). We have confirmed an ongoing commitment from Stockton on Tees Borough Council for this period.

Whilst the impact of COVID-19 has affected the speed of progress against our aims, the key strategic objectives remain unchanged:

Artistic objectives

- i. Work with artists and communities to commission, develop and present creative opportunities and cultural experiences that reflect our artistic policy
- ii. Ensure that at least 50% of supported artists are either disabled, lesbian, gay, bisexual, transgender, queer, intersex, asexual, artists of colour or from working class backgrounds, with at least 20% to be artists of colour

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods (continued)

- iii. Present a programme of live music, comedy and work for families, exhibitions and films, including live broadcasts, rated Good or Excellent by 90% of our audiences
- iv. Deliver a high quality programme of creative learning for early years, young people, adults, disabled and older people, targeted at communities which have traditionally been least engaged by the cultural sector, rated Good or Excellent by 80% of participants
- v. Contribute to the wider development and sustainability of the arts and cultural sector through leadership of strategic projects

Audience objectives

- vi. Develop and implement creative re-engagement activity designed to reconnect to ARC's existing audiences, pre and post re-opening, aiming for 50% to have returned to ARC by March 2023
- vii. Continue to attract audiences from communities which have traditionally been least engaged by the cultural sector, maintaining a minimum of 25% of our audience base drawn from the four least engaged Audience Spectrum categories
- viii. Continue to offer online access to live events and creative learning activities post pandemic, aiming for at least 20% of events to be live streamed and 40% of creative learning activities to remain accessible online

Organisational objectives

- ix. Support the ongoing development of ARC's Board and staff team through training and other learning opportunities to further improve our practice, reach and impact
- x. Ensure equality is embedded in our policies and practices by working with diverse-led partners, and achieve a more representative workforce
- xi. Continue to reduce our environmental impact and meet our environmental responsibility in all areas of our work, including programme, behaviour, building and café bar
- xii. Achieve ARC's earned income, fundraising and cost control targets
- xiii. Reinstate No 60's café and bar service, rated Good or Excellent by 80% of customers, and explore ways of achieving greater community impact through training activity

STOCKTON ARTS CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Waltons Business Advisers Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



L. Snowball
(Trustee)

Date: *28 September 2022*

STOCKTON ARTS CENTRE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STOCKTON ARTS CENTRE

UNQUALIFIED OPINION

We have audited the financial statements of Stockton Arts Centre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

STOCKTON ARTS CENTRE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STOCKTON ARTS CENTRE (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

STOCKTON ARTS CENTRE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STOCKTON ARTS CENTRE (CONTINUED)

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the group and the areas in which it operates, and considered the risk of acts by the group that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We identified the greatest potential for fraud in the following areas: existence and timing of recognition of income and management override of controls (especially in the posting of journals). We discussed these risks with management and designed audit procedures as follows:

- to test the timing and existence of revenue
- to review journals posted to key control accounts or posted around the year end, to look for potential "window dressing" as well as looking at a sample throughout the year.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

STOCKTON ARTS CENTRE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STOCKTON ARTS CENTRE (CONTINUED)

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Heather O'Driscoll FCA (senior statutory auditor)

for and on behalf of

Waltons Business Advisers Limited

Chartered Accountants

Statutory Auditors

Maritime House

Harbour Walk

The Marina

Hartlepool

Teesside

TS24 0UX

Date: 10 October 2022

STOCKTON ARTS CENTRE
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	<i>As restated Total funds 2021 £</i>
INCOME FROM:						
Donations and grants	3	531,010	-	-	531,010	745,210
Charitable activities	4	637,686	697,372	-	1,335,058	1,232,489
Other trading activities	5	208,052	-	-	208,052	10,076
Interest receivable		184	-	-	184	210
TOTAL INCOME		1,376,932	697,372	-	2,074,304	1,987,985
EXPENDITURE ON:						
Raising funds	6,5	225,983	-	-	225,983	165,842
Charitable activities	7	980,347	853,856	42,164	1,876,367	1,330,283
TOTAL EXPENDITURE		1,206,330	853,856	42,164	2,102,350	1,496,125
NET INCOME/(EXPENDITURE)		170,602	(156,484)	(42,164)	(28,046)	491,860
Transfers between funds	18	(80,825)	(19,175)	100,000	-	-
NET MOVEMENT IN FUNDS		89,777	(175,659)	57,836	(28,046)	491,860
RECONCILIATION OF FUNDS:						
Total funds brought forward		247,207	895,335	396,918	1,539,460	1,047,600
Net movement in funds		89,777	(175,659)	57,836	(28,046)	491,860
TOTAL FUNDS CARRIED FORWARD		336,984	719,676	454,754	1,511,414	1,539,460

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 24 to 45 form part of these financial statements.

STOCKTON ARTS CENTRE
(A company limited by guarantee)
REGISTERED NUMBER: 04591795

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	As restated 2021 £
FIXED ASSETS			
Tangible assets	12	561,555	589,967
		561,555	589,967
CURRENT ASSETS			
Stocks	14	10,747	3,921
Debtors	15	285,577	144,556
Cash at bank and in hand		1,079,189	1,090,388
		1,375,513	1,238,865
Creditors: amounts falling due within one year	16	(425,654)	(289,372)
		949,859	949,493
NET CURRENT ASSETS		949,859	949,493
TOTAL NET ASSETS		1,511,414	1,539,460
CHARITY FUNDS			
Designated funds	18	454,754	396,918
Restricted funds	18	719,676	895,335
Unrestricted funds	18	336,984	247,207
		1,511,414	1,539,460
TOTAL FUNDS		1,511,414	1,539,460

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



L. Snowball
 (Trustee)

Date: 28 September 2022

The notes on pages 24 to 45 form part of these financial statements.

STOCKTON ARTS CENTRE
(A company limited by guarantee)
REGISTERED NUMBER: 04591795

CHARITY BALANCE SHEET
AS AT 31 MARCH 2022

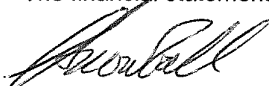
	Note	2022 £	As restated 2021 £
FIXED ASSETS			
Tangible assets	12	561,555	589,967
Investments	13	1	1
		561,556	589,968
CURRENT ASSETS			
Debtors	15	340,173	222,453
Cash at bank and in hand		1,022,364	1,044,063
		1,362,537	1,266,516
Creditors: amounts falling due within one year	16	(412,423)	(287,874)
		950,114	978,642
NET CURRENT ASSETS		950,114	978,642
TOTAL NET ASSETS		1,511,670	1,568,610
CHARITY FUNDS			
Designated funds	18	454,754	396,918
Restricted funds	18	821,931	895,335
Unrestricted funds	18	234,985	276,357
		1,511,670	1,568,610
TOTAL FUNDS		1,511,670	1,568,610

The Charity's net movement in funds for the year was £(56,940) (2021 - £523,162).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



L Snowball
(Trustee)

Date: 28 September 2022

The notes on pages 24 to 45 form part of these financial statements.

STOCKTON ARTS CENTRE
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash used in operating activities	19,463	578,099
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	184	210
Purchase of tangible fixed assets	(30,846)	(23,534)
	<hr/>	<hr/>
NET CASH USED IN INVESTING ACTIVITIES	(30,662)	(23,324)
	<hr/>	<hr/>
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	(11,199)	554,775
Cash and cash equivalents at the beginning of the year	1,090,388	535,613
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	1,079,189	1,090,388
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 24 to 45 form part of these financial statements

STOCKTON ARTS CENTRE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. GENERAL INFORMATION

The Charity is a company limited by guarantee and registered in England and Wales. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up the liability in respect of the guarantee is limited to £1 per member.

The registered office address is:

ARC
Dovecot Street
Stockton-On-Tees
Tees Valley
TS18 1LL

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Stockton Arts Centre 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.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment.

Current budgets predict in year deficits in the short term as the charity recovers from the lockdowns imposed during Covid and recovers audience numbers. Existing reserves will be used to fund this with a return to a surplus position in following years.

The Trustee have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts

STOCKTON ARTS CENTRE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. ACCOUNTING POLICIES (CONTINUED)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grants are included in the consolidated statement of financial activities when the performance conditions of the grant are met and the charity becomes entitled to the income. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other trading activities income is recognised when receivable by the charity.

Investment income is recognised when receivable by the charity.

Other income, including ticket sales and contracts, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service or event.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds represents those costs associated with generating the trading income.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £80 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

STOCKTON ARTS CENTRE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. ACCOUNTING POLICIES (CONTINUED)

2.5 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Land & Buildings	- Nil
Office equipment	- 2-10 years straight line
Equipment	- 3 - 5 years straight line

The Trustees consider that the freehold property is maintained in such a state of repair that its residual value is at least equal to its net book value. As a result the corresponding depreciation would not be material and is therefore not charged in the Statement of Financial Activities.

2.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price. The impairment loss is recognised immediately in profit or loss.

2.8 Debtors

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

2.9 Cash at bank and in hand

Cash at bank and 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.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2.11 Financial instruments

The Group 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.

STOCKTON ARTS CENTRE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. ACCOUNTING POLICIES (CONTINUED)

2.12 Pensions

The Group contributes to a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. INCOME FROM DONATIONS AND GRANTS

	Unrestricted funds 2022 £	Total funds 2022 £	<i>As restated Total funds 2021 £</i>
Core Grants			
Arts Council England	311,723	311,723	311,723
Stockton Borough Council	149,128	149,128	141,147
Other grants			
Coronavirus job retention scheme	52,606	52,606	273,553
Donations	17,553	17,553	18,787
	<u>531,010</u>	<u>531,010</u>	<u>745,210</u>

STOCKTON ARTS CENTRE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>As restated</i> <i>Total</i> <i>funds</i> <i>2021</i> £
Core Programme	326,779	392,335	719,114	944,079
Live Programme	265,570	-	265,570	54,484
Cinema	26,069	21,495	47,564	3,103
Creative Programme	19,268	146,479	165,747	10,311
Strategic Programme	-	137,063	137,063	220,512
	<u>637,686</u>	<u>697,372</u>	<u>1,335,058</u>	<u>1,232,489</u>
<i>Total 2021 as restated</i>	<u>464,093</u>	<u>768,396</u>	<u>1,232,489</u>	

STOCKTON ARTS CENTRE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. TRADING ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>As restated</i> <i>Total funds</i> 2021 £
Charity trading income				
Catering income	161,680	-	161,680	3,674
Services and retail	9,417	-	9,417	5,133
Room hire	25,194	-	25,194	1,269
Box office charges	11,761	-	11,761	-
	<u>208,052</u>	<u>-</u>	<u>208,052</u>	<u>10,076</u>
Fundraising trading expenses				
Catering expenditure	68,154	-	68,154	15,825
Salaries	79,116	-	79,116	89,342
	<u>147,270</u>	<u>-</u>	<u>147,270</u>	<u>105,167</u>
	<u>60,782</u>	<u>-</u>	<u>60,782</u>	<u>(95,091)</u>
Net income from trading activities	<u>(95,091)</u>	<u>(165,949)</u>	<u>(95,091)</u>	
Total 2021				

6. COST OF RAISING FUNDS

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total</i> <i>funds</i> 2021 £
Marketing	20,511	20,511	10,889
Wages and salaries	56,199	56,199	49,786
	<u>76,710</u>	<u>76,710</u>	<u>60,675</u>
Total 2022			
	<u>60,675</u>	<u>60,675</u>	
<i>Total 2021</i>			

STOCKTON ARTS CENTRE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total 2022 £	Total 2021 £
Core Programme	679,875	418,168	24,404	1,122,447	782,963
Live Programme	61,629	193,248	6,149	261,026	111,578
Cinema	21,228	-	512	21,740	20,336
Creative Programme	143,574	84,361	5,499	233,434	100,548
Strategic Programme	74,041	158,079	5,600	237,720	314,858
	<u>980,347</u>	<u>853,856</u>	<u>42,164</u>	<u>1,876,367</u>	<u>1,330,283</u>
<i>Total 2021</i>	<u>748,870</u>	<u>532,262</u>	<u>49,151</u>	<u>1,330,283</u>	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Core Programme	853,476	268,971	1,122,447	782,963
Live Programme	193,248	67,778	261,026	111,578
Cinema	16,094	5,646	21,740	20,336
Creative Programme	172,822	60,612	233,434	100,548
Strategic Programme	175,992	61,728	237,720	314,858
	<u>1,411,632</u>	<u>464,735</u>	<u>1,876,367</u>	<u>1,330,283</u>
<i>Total 2021</i>	<u>962,188</u>	<u>368,095</u>	<u>1,330,283</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

Analysis of Support costs

	Core programme 2022 £	Live programme 2022 £	Cinema 2022 £	Creative programme 2022 £	Strategic programme 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	74,535	18,781	1,564	16,798	17,105	128,783	131,376
Depreciation	34,297	8,642	720	7,728	7,870	59,257	72,388
Property costs	75,318	18,982	1,581	16,974	17,287	130,142	78,750
Other costs	29,402	7,409	617	6,626	6,746	50,800	29,650
Administration	46,812	11,795	983	10,547	10,743	80,880	43,476
Governance costs	8,607	2,169	181	1,939	1,977	14,873	12,455
Total 2022	268,971	67,778	5,646	60,612	61,728	464,735	368,095
<i>Total 2021</i>	<i>196,617</i>	<i>40,890</i>	<i>15,643</i>	<i>27,822</i>	<i>87,123</i>	<i>368,095</i>	

Support costs have been split based on direct costs, 60% core programme, 14% live programme, 1% cinema, 12% creative and 12% strategic.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	5,500	4,500
Fees payable to the Charity's auditor in respect of:		
Taxation compliance for the subsidiary	-	300
All assurance services not included above	185	-
Accountancy services (including consolidation and subsidiary accounts)	2,800	1,500
	5,485	6,300

10. STAFF COSTS

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	682,502	682,417	603,386	593,232
Social security costs	41,617	41,617	39,614	41,617
Contribution to defined contribution pension schemes	10,825	9,819	10,825	9,819
	734,944	733,853	653,825	644,668

The average number of persons employed by the Charity during the year was as follows:

	Group 2022 No.	Group 2021 No.	Company 2022 No.	Company 2021 No.
Administration, marketing and commercial staff	25	19	25	19
Operational staff	25	36	25	36
Catering staff	18	13	-	-
	68	68	50	55

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10. STAFF COSTS (CONTINUED)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	<i>Group 2021 No.</i>
In the band £60,001 - £70,000	1	<i>1</i>

The key management personnel of the charity comprise the trustees, the Chief Executive Officer and Operations Director. The total employee benefits of the key management personnel were £124,340 (2021 - £124,711).

11. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year no Trustee expenses have been incurred (2021 - £NIL).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. TANGIBLE FIXED ASSETS

Group and Company

	Freehold property £	Equipment £	Total £
Cost			
At 1 April 2021 (as previously stated)	350,000	810,934	1,160,934
Prior Year Adjustment	-	(2,810)	(2,810)
At 1 April 2021 (as restated)	350,000	808,124	1,158,124
Additions	-	30,846	30,846
At 31 March 2022	350,000	838,970	1,188,970
Depreciation			
At 1 April 2021 (as previously stated)	-	572,879	572,879
Prior Year Adjustment	-	(4,722)	(4,722)
At 1 April 2021 (as restated)	-	568,157	568,157
Charge for the year	-	59,258	59,258
At 31 March 2022	-	627,415	627,415
Net book value			
At 31 March 2022	350,000	211,555	561,555
At 31 March 2021 (as restated)	350,000	239,967	589,967

The freehold land and buildings is included in the financial statements at the amount paid to the liquidators of ARC Trust Limited. The professional valuation obtained by the liquidators reflected the market value of the facility, at March 2005, as adjusted for the covenants as detailed in note 24.

STOCKTON ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Charity	
Cost	
At 1 April 2021	1
At 31 March 2022	<u>1</u>

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Charity:

Name	Company number	Holding	Included in consolidation
Stockton Arts Centre (Trading) Limited	09490242	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net liabilities £
Stockton Arts Centre (Trading) Limited	183,775	154,881	28,894	(255)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

14. STOCKS

	Group 2022 £	<i>Group 2021 £</i>
Bar stock	10,747	3,921

15. DEBTORS

	Group 2022 £	<i>Group As restated 2021 £</i>	Company 2022 £	<i>Company As restated 2021 £</i>
Due within one year				
Trade debtors	150,435	39,097	150,435	37,425
Amounts owed by group undertakings	2,970	-	57,897	79,569
Other debtors	1,181	6,960	850	6,960
Prepayments and accrued income	130,991	98,499	130,991	98,499
	285,577	144,556	340,173	222,453

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022	<i>Group 2021</i>	Company 2022	<i>Company 2021</i>
	£	£	£	£
Trade creditors	72,602	98,668	67,491	98,257
Amounts owed to group undertakings	2,970	-	-	-
Other taxation and social security	21,301	9,831	21,301	9,831
Other creditors	19,493	18,481	19,493	18,480
Accruals and deferred income	309,288	162,392	304,138	161,306
	<u>425,654</u>	<u>289,372</u>	<u>412,423</u>	<u>287,874</u>

	Group 2022	<i>Group 2021</i>
	£	£
Deferred income at 1 April 2021	94,820	81,378
Resources deferred during the year	206,080	94,820
Amounts released from previous periods	(94,820)	(81,378)
	<u>206,080</u>	<u>94,820</u>

Deferred income relates to income received for events held post year end.

17. PRIOR YEAR ADJUSTMENTS

A prior year adjustment has been made to restate the classification of fixed assets. This included moving £1,912 of equipment previously classed as trade debtors. This adjustment had no impact on the overall reserves brought forward.

£6,276 previously included in donations as coronavirus job retention scheme has been reclassified to charitable activity income. This was £2,276 in respect of the Jerwood Charitable Foundation and £4,000 from the Thirteen Group for activity sessions.

£3,846 of administrative costs within Stockton Arts Centre (Trading) Limited have been transferred from charitable activities into fundraising trading expenses.

£80,893 of wages have been reclassified from direct to support costs to better reflect the nature of these job roles.

The formatting of notes has been amended resulting in a slightly changed presentation.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
General Funds	247,207	1,376,932	(1,206,330)	(80,825)	336,984
Designated funds					
Covid recovery fund	200,000	-	-	100,000	300,000
Capital fund (2013)	16,704	-	(16,704)	-	-
Capital fund (2017)	137,106	-	(20,505)	-	116,601
Capital fund (2020)	34,484	-	(4,079)	-	30,405
Capital fund (2021)	8,624	-	(876)	-	7,748
	<u>396,918</u>	<u>-</u>	<u>(42,164)</u>	<u>100,000</u>	<u>454,754</u>

STOCKTON ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Restricted funds					
Arts Council England	350,000	-	-	-	350,000
Young People's Projects	26,058	79,070	(56,949)	(9,301)	38,878
Staying out	17,000	26,750	(19,999)	-	23,751
Training	-	500	-	-	500
SIRF Projects	-	36,000	(5,100)	-	30,900
Associate Artist & Company Projects	150,085	285,759	(286,383)	(308)	149,153
Venues North	-	7,000	-	-	7,000
Tees Valley Combined Authority - New Creatives/Greater Tees	26,879	34,655	(13,863)	-	47,671
Access Fund North	-	11,700	(3,909)	-	7,791
What's On Your Mind Project	-	49,920	(40,280)	(9,640)	-
Film Hub North - Bigger Picture	-	21,495	(13,666)	-	7,829
Thirteen Housing	-	6,152	(2,312)	-	3,840
Wellington Square Shopping Centre	-	2,500	(1,312)	-	1,188
Jerwood Charitable Foundation	3,867	7,508	(11,375)	-	-
Wide Open Community Fund	-	3,000	-	-	3,000
Weston Culture Fund	240,000	-	(240,000)	-	-
Future Arts Centre	80,891	125,363	(158,079)	-	48,175
Other funds	555	-	(629)	74	-
	<u>895,335</u>	<u>697,372</u>	<u>(853,856)</u>	<u>(19,175)</u>	<u>719,676</u>
Total of funds	<u><u>1,539,460</u></u>	<u><u>2,074,304</u></u>	<u><u>(2,102,350)</u></u>	<u><u>-</u></u>	<u><u>1,511,414</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 March 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2021 £</i>
Unrestricted funds					
General Funds	142,330	1,219,589	(914,712)	(200,000)	247,207
Designated funds					
Covid recovery fund	-	-	-	200,000	200,000
Capital fund (2013)	41,761	-	(25,057)	-	16,704
Capital fund (2017)	157,611	-	(20,505)	-	137,106
Capital fund (2020)	37,933	-	(3,449)	-	34,484
Capital fund (2021)	-	-	(140)	8,764	8,624
	<u>237,305</u>	<u>-</u>	<u>(49,151)</u>	<u>208,764</u>	<u>396,918</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. STATEMENT OF FUNDS (CONTINUED)

	<i>Balance at 1 March 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2021 £</i>
Restricted funds					
Arts Council England	350,000	-	-	-	350,000
Future Arts Centre Here & Now NL25 project	83,200	150,000	(168,400)	-	64,800
Artistic projects	119,062	307,431	(240,765)	(8,764)	176,964
Jerwood Charitable Foundation	-	6,143	(2,275)	-	3,868
Arts Council England - strategic Touring - REACH Project	18,193	9,901	(28,094)	-	-
Staying Out Project	15,000	31,750	(29,750)	-	17,000
Young People's Projects	13,066	23,171	(10,180)	-	26,057
Arts Council England _ Ambition for Excellence	68,203	-	(52,112)	-	16,091
Weston Garfield Foundation	-	240,000	-	-	240,000
Other funds	1,241	-	(686)	-	555
	<u>667,965</u>	<u>768,396</u>	<u>(532,262)</u>	<u>(8,764)</u>	<u>895,335</u>
Total of funds	<u><u>1,047,600</u></u>	<u><u>1,987,985</u></u>	<u><u>(1,496,125)</u></u>	<u><u>-</u></u>	<u><u>1,539,460</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. STATEMENT OF FUNDS (CONTINUED)

Designated funds

COVID recovery fund – reserves have been designated to support against future deficits and costs impacted by the COVID-19 pandemic.

Capital fund – relates to other fixed assets which are shown as designated funds. Depreciation is charged against this fund so that it equals the net book value of the asset.

Restricted funds

Arts Council England – this equals the value of the property, further details of the valuation are in note 12 and 24.

Young People's Projects – relates to funding received from Stockton on Tees Borough Council for various youth projects, including targeted work with care-experienced children and young people.

Staying Out – relates to funding from Stockton on Tees Borough Council Public Health for an ongoing programme of weekly creative arts sessions aimed at people aged 65+ who are socially isolated.

Training – relates to a grant received from Stockton on Tees Borough Council to support employee learning.

SIRF projects – relates to funding received from Stockton International Riverside Festival for artistic projects for the festival 2022.

Associate Artist & Company projects – relates to monies received from artists for staging and touring productions. The balance carried forward relates to productions which are not yet complete.

Venues North – relates to membership fees for this network managed by ARC, which is committed to supporting artists making new performance work in the North of England.

Tees Valley Combined Authority – New Creatives/Greater Tees – relates to funding received to deliver strategic projects supporting cultural development in the Tees Valley.

Access Fund North – relates to a strategic grant received from Arts Council England to pilot a support scheme for disabled artists to access professional development opportunities.

What's On Your Mind Project – relates to a project grant from Arts Council England to support a programme of rapid response digital artistic commissions informed by creative community consultation.

Film Hub North Bigger Picture – relates to funding received to increase the number of South Asian films within our cinema programme, and develop South Asian audiences.

Thirteen Housing – relates to funding received to support creative community engagement work with residents.

Wellington Square Shopping Centre – relates to funding received to support a series of artist commissions for the shopping centre.

Jerwood Charitable Foundation – relates to funding received to host a Weston Jerwood Creative Fellow during 2021, as part of a scheme to support salaried positions in arts and cultural organisations for people from low socio-economic backgrounds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. STATEMENT OF FUNDS (CONTINUED)

Wide Open Community Fund – relates to funding received for Creating Together, a group of asylum seekers and refugees, to support a creative residency in June 2022.

Weston Culture Fund – relates to a generous grant to support the recovery of ARC's artistic activities during 2021, from the Garfield Weston Foundation's scheme created to support the sector to restart its work, refresh activities and re-engage audiences following COVID-19 closures.

Future Arts Centres – relates to funding received to support Future Arts Centres, a national network co-led by ARC and the Albany, and associated project activity.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
Tangible fixed assets	56,801	350,000	154,754	561,555
Current assets	696,412	379,101	300,000	1,375,513
Creditors due within one year	(416,229)	(9,425)	-	(425,654)
Total	336,984	719,676	454,754	1,511,414

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £
Tangible fixed assets	43,049	350,000	196,918	589,967
Current assets	493,530	545,335	200,000	1,238,865
Creditors due within one year	(289,372)	-	-	(289,372)
Total	247,207	895,335	396,918	1,539,460

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2022 £	<i>Group 2021 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	(28,046)	491,860
Adjustments for:		
Depreciation charges	59,258	74,987
Interest received	(184)	(210)
Decrease/(increase) in stocks	(6,826)	9,806
Decrease/(increase) in debtors	(138,051)	26,524
Increase/(decrease) in creditors	133,312	(24,868)
Net cash provided by operating activities	19,463	578,099

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2022 £	<i>Group 2021 £</i>
Cash in hand	1,079,189	1,090,388
Total cash and cash equivalents	1,079,189	1,090,388

22. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,090,388	(11,199)	1,079,189
	1,090,388	(11,199)	1,079,189

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

23. PENSION COMMITMENTS

The group contributes to a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £10,825 (2021 - £9,819)

Amounts totalling £2,101 (2021 - £1,923) were payable to the fund at the balance sheet date and are included in creditors

24. OTHER FINANCIAL COMMITMENTS

In the event of Stockton Arts Centre property at Dovecot Street, Stockton on Tees, being sold and the net proceeds of the sale not being used for the furtherance of the company's charitable purposes, then an amount of £200,000 (which is to be index linked from February 1997) would have to be paid to the Young Men's Christian Association and £81,000 (which is to be index linked from January 2004) to Stockton Borough Council.

There is also a chattel mortgage on the property and certain equipment between Stockton Arts Centre and The Arts Council of England which states that a novated debt, equivalent to the purchase price of the land and freehold property would have to be repaid to the Arts Council of England on the occurrence of certain events, such as the organisation ceasing to be a charity.

25. RELATED PARTY TRANSACTIONS

The Group and Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Group and Charity at 31 March 2022.

