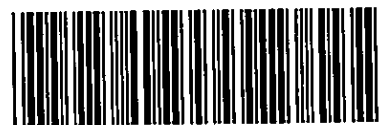


**TEES VALLEY ARTS**  
**(A company limited by guarantee)**  
**REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MARCH 2011**

Charity Number 515369

Company Number 1656560

WEDNESDAY



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## TEES VALLEY ARTS

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**TEES VALLEY ARTS**  
**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

The trustees are pleased to present their report together with the audited financial statements of the charity for the year ended 31st March 2011. This report has been prepared in accordance with the special provisions of Part 15 of The Companies Act 2006 relating to small companies.

**Reference and administrative information**

Charity name	Tees Valley Arts
Charity registration number	515369
Company registration number	1656560
Registered office and operational address	Melrose House Melrose Street Middlesbrough TS1 2HZ

**Directors and Trustees**

Under the Articles of Association the Board of Management, who are the trustees of the charity, will consist of not less than 14 and up to 18 Directors constituted as follows:-

Four	Directors nominated by Arts Council England, North East. These are shown below by (*) (Term of Office: One year, renewable)
Ten	Directors chosen by the Board of Management to reflect the arts interests in the community including education, the media, industry and commerce, the major arts organisations and local authorities in the area. These are shown below by (**) (Term of Office: One year, renewable)
Three	Directors elected by all Members of the company who are present at the Annual General Meeting. These are shown below by (***) (Term of Office: One year, renewable)
One	Director co-opted by the Board of Management. There is no such director in place at the moment (Term of Office: One year, renewable)



## TEES VALLEY ARTS

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011

#### Directors and Trustees

The trustees who served during the year and up to the date of approval of the accounts were -

Cllr C Akers-Belcher	(**)	
Mr R Anderson	(**)	
Mr A Campbell	(*)	(Chair & Co. Secretary)
Miss H Campion	(***)	
Cllr S Carter	(**)	(Resigned 5 <sup>th</sup> May 2011)
Cllr K Dixon	(**)	(Appointed 6 <sup>th</sup> July 2011)
Mr K Howard	(**)	
Prof P Manning	(**)	(Resigned 10 <sup>th</sup> June 2011)
Mr C Monty	(**)	
Ms S Paterson	(*)	
Mr J Pendleton	(**)	
Cllr G Purvis	(**)	(Appointed 1 <sup>st</sup> August 2011)
Mrs F Sangowawa	(**)	(Resigned 14 <sup>th</sup> April 2010)
Cllr M Womphrey	(**)	(Resigned 5 <sup>th</sup> May 2011)

#### Director

Rowena Sommerville

#### Auditors

S V Bye, New Garth House, Upper Garth Gardens, Guisborough, TS14 6HA

#### Bankers

HSBC plc 60 Albert Road Middlesbrough

#### Structure, governance and management

##### Governing document

**Tees Valley Arts** is a company limited by guarantee, incorporated on 5<sup>th</sup> August 1982, and a registered charity governed by its memorandum and articles of association as amended by special resolutions passed 3<sup>rd</sup> May 1984, 5<sup>th</sup> June 1984, 2<sup>nd</sup> December 1987, 18<sup>th</sup> March 1996 and 4<sup>th</sup> December 2000

On 5<sup>th</sup> September 2003, the charity changed its name from Cleveland Arts to **Tees Valley Arts**

In the event of the company's being wound up, each of the members has pledged to contribute an amount not exceeding £1

The Memorandum and Articles of Association of the charity state its principal objects to be "to promote, maintain and encourage for the education of the public, the development of the whole range of arts activity in the area currently known as the Tees Valley and its environs including drama, dance, music, opera, ballet, visual arts, photography, exhibitions, crafts, films, literature and community arts, for all members of the local community, without regard to disability, ethnic background, sexuality, age, gender, ability or religious or other belief"



**TEES VALLEY ARTS**  
**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

**Mission Statement**

**Tees Valley Arts** is an arts development agency based in Middlesbrough in the North East of England, working across the Tees Valley, it is an organisation which champions participation in high quality arts and stimulating creative activities as a tool for improving the quality of life and learning for individuals and communities. TVA works in education designing and delivering innovative programmes for students of all abilities, for disengaged learners, and for excluded or at risk pupils. TVA works in diversity and inclusion using the arts to support and empower people who face life's challenges. TVA works to bring people together in respect and celebration.

**Recruitment and appointment of the Trustees**

The charity's policy for recruitment of Trustees is shown on page 2 above.

**Trustee induction and training**

All new trustees are issued with a copy of the Memorandum and Articles of Association, the most recent, audited accounts and any relevant Charity Commission publications relating to their role as Trustees. They are also encouraged to visit the office and speak to staff about the charity's activities. All trustees are given details of relevant external courses and encouraged to attend.

**Risk management**

The charity has produced a business plan which determines the policies, strategies, aims and objectives of the organisation over a 3 year period while fully taking into account external threats and opportunities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

**Organisational Structure**

A board of trustees of between 14 and 18 members, who meet quarterly, oversees the charity. A Chief Executive, whose title is Director but they are not a director for the purposes of the Companies Act 2006, is appointed by the trustees to manage the day-to-day operations of the charity.

**Related Parties**

The charity has a very close relationship with Arts Council England, North East, which is itself a charity. It can nominate trustees and provides funding to enable the charity to carry out its charitable objects. A summary of transactions with this party is shown in note 13 to the Financial Statements.

**Objectives and Activities**

The Memorandum and Articles of Association of the charity state its principal objects to be "to promote, maintain and encourage for the education of the public, the development of the whole range of arts activity in the area currently known as the Tees Valley and its environs including drama, dance, music, opera, ballet, visual arts, photography, exhibitions, crafts, films, literature and community arts, for all members of the local community, without regard to disability, ethnic background, sexuality, age, gender, ability or religious or other belief". We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.



**TEES VALLEY ARTS**  
**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

**Achievements and performance**

**TVA activity and issues Financial Year 2010/11**

TVA is a participative, socially engaged arts organisation working across the five local authority areas of the Tees Valley (Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland, Stockton), TVA organises its activity under three thematic programme areas Education; Heritage and Environment, Inclusion

The Tees Valley is a sub-region with many challenges for its residents and for its providers of services, and is acknowledged as being under-provided for culturally Middlesbrough, where TVA is based, is 8<sup>th</sup> out of 326 UK local authority areas in terms of child poverty and multiple indices of deprivation TVA continues to advocate for the use of truly creative and imaginative interventions as a way of improving, and sometimes transforming, people's lives

TVA has 6 core staff – Director, Finance Manager (0.8), Communications Officer, Education Officer, Heritage and Environment Officer, Youth and Community Officer (0.6) In 2010/11 this was augmented by a three year half time post of Refugee Arts Officer, funded by the Baring Foundation (this was Year 2) TVA activities have been delivered, as always, by a wide range of freelance artists, working in almost every conceivable artform, and coming predominantly from the North East region All residency opportunities advertised garner numerous applications, so we are able to recruit and select artists who are best suited to the projects in question, and who enjoy delivering participative arts, despite (and because of) some of the very challenging constituencies that we work with

**Management structure** The staff team has stayed constant throughout the year, and has remained energetic, dedicated, flexible and good-humoured and, as always, manages to combine ambition and imagination with the everyday practicalities of project administration and the ceaseless effort of seeking funding The team is strong and resilient, and frequently needs to be We have an effective system of regular 121s, staff meetings and annual appraisals

**Governance** The TVA Board has seen some changes and now represents a strong mix of local authority representatives (councillors), academics, artists and two members from the commercial world – one a senior partner from a law firm and one a senior consultant from the world of banking and financial risk management Tony Campbell, the TVA Board Chair runs Creative Glass, an internationally working design and production company, and is active in numerous local regeneration initiatives

TVA has produced a three-year business plan, as intended

TVA relies on partnership working to develop its projects, and over this year we have seen extremely effective partnership working with the environmental and wildlife agencies of the Tees Valley, with various agencies working with young people but particularly with Middlesbrough Council Children's Services and with Barnardo's, with Arts Award nationally and regionally, and with the North of England Refugee Service Relationships with the five local authorities are generally very cordial, although the financial constraints which have affected those bodies have an inevitable knock-on effect on activity with us and potential funding support for us

All the councils have seen considerable alterations to the services they are able to provide, and are facing more, one example among many is that TVA has for some years enjoyed excellent working relationships with Stockton Council Asylum Support Team, this team has now been disbanded following the re-allocation of the asylum seeker housing contract in that borough to a private provider So far it has not proved possible to establish contact with this agency

*Continued*



## TEES VALLEY ARTS

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011

*continued*

As a small organisation TVA is not able to fund extensive CPD opportunities for its staff, but all are encouraged to make the most of any opportunities that arise, and to take time (by agreement) to visit other establishments and/or events. In 2010/11 the Director TVA was lucky enough to win a place on the national Cultural leadership in Diversity programme, led by Baroness Lola Young and Doctor Nima Poovaya Smith. This was a marvellous opportunity to become part of a diverse, challenging, and exploratory group, with an exciting and thought-provoking programme of lectures and debates. (I am grateful for this opportunity, found it very fruitful, and my stand out moments were meeting Guardian journalist Gary Younge, author of 'Who are we and should it matter in the 21<sup>st</sup> century?', and disabled film-maker David Hevey, Director of the BBC's 'Disabled Century' )

TVA activity has continued, as planned, under the three thematic programme headings: Education, Heritage and Environment, Inclusion. Projects (and project funding) vary greatly in scale, lifespan, geographical spread, numbers of participants and artistic aspiration, but the overall remit of projects fit into the programme headings, and all projects combine both arts and non-arts aims and outcomes.

In summary, in 2010/11 TVA has delivered a total of 785 sessions, has worked with 4221 individuals – most of them over several sessions, some of them intensively over a period of time, has delivered several small events to refugee and asylum seeker groups – total audience c500, and has delivered the WorldFest festival in May 2010 to a combined (very diverse) audience of c1200 over four events, has reached c600 people/organisations regularly through its quarterly e-newsletter and thousands more on line through our website and Twitter and Facebook presences and have worked with 132 artists.

#### **Activity**

The TVA Education Programme highlights have included

- **stART** – our very successful intervention with young people in Middlesbrough categorised as Not in Education, Employment or Training – 4 cohorts x 10 young people x 8 weeks x 3dpw, achieving retention and progression rates of over 70% and based around achievement of the Bronze Arts Award, invariably the young people's only qualification. This project has been much praised and is featured on the cover and inside the current national Arts Award brochure. One of the young people in the cover photograph is now on an access course to university – truly, a changed life. Funded variously but mainly through Middlesbrough Children's Services, continuing.
- **Getting It** – creative drama and writing with teenage parents in Hartlepool, exploring relationships, aspirations, strains and stresses and joys, continuing.
- **Moving On** – visual arts activity with young people looked after by Darlington Council, based around Arts Award, this has been the pilot for a subsequent bid submitted to J Paul Getty Trust for similar activity with all five Tees Valley care teams – awaiting decision.
- **Risky Biz** – successful bid to Comic Relief in partnership with Barnardo's SECOS unit – activity begun at end of 2010/11 and continues.
- **Arts Award** – achievement of Arts Award is incorporated in to numerous projects very successfully. Jane Gray – TVA Education officer has delivered numerous public training days, in-house training days and supplementary packages of support where possible. She has also delivered training in other parts of the country.



## **TEES VALLEY ARTS**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

The **TVA Heritage and Environment** Programme highlights include

- Green TV – £240K was secured from Heritage Lottery Fund to work with wildlife partners in all five TV boroughs, using the arts for environmental engagement and learning, 2 years x (1 artist x 2 schools and a series of community residencies) x 5 boroughs; artforms including photography, digital arts, sculpture, visual arts, artist books, music and sound Large scale project, effectively and efficiently delivered, excellent responses all round, much praise from wildlife partners, excellent partnership working, interesting, varied and exciting artworks produced, including a mirrored boat on Coatham Marsh which was promoted through a campaign on the backs of buses
- Aggregates Levy project – using the arts to promote understanding of the geological forces which create under-road aggregates Original project delivered in 4 schools, AL liked it so much they funded another 4!
- Viewley Hill School Creative Partnerships project delivered by Joe Dunne (TVA Heritage and Environment Officer) and TVA Director, class created and performed a version of Gardener's Question Time, thus delivering lots of learning and artistic fun

The **TVA Inclusion Programme** highlights include

- WorldFest 2010 – headline event with Dennis Bovell and Misty in Roots, Nuit d'Afrique at ARC Stockton, community event and youth event
- Musicmix Youth Music funded project with young people from diverse backgrounds, leading to music creation, achievement of Arts Award and performances, ongoing
- Refugee Arts Worker Baring Foundation funded half time post for three years, working in the community to support, signpost and help people integrate, through creative activity and events
- Big Sky Arts – music making with adults with learning and complex difficulties in Hartlepool, funded by Lloyds TSB; currently seeking further funding

#### **Fundraising:**

- Clearly TVA needs to constantly fundraise in order to exist; it is a ceaseless process Of particular note in 2010/11 has been the partnership with Barnardo's which secured funding from Comic Relief, and the partnership with sub-regional environmental leads which secured quarter of a million pounds from Heritage Lottery Fund.
- At the end of 2010/11 a sum of £29412 was contributed to TVA's reserves which now stand at £67755

At the end of calendar year 2010, the national Arts Council Portfolio Status/ Funding initiative began, and this has naturally added greatly to the workload TVA was unsuccessful with its application, so 2011/12 is our last year as a Regularly Funded Organisation, hence Arts Council core support will end in March 2012



## **TEES VALLEY ARTS**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

#### **Artistic quality**

TVA has devoted time and thought to the issues of how we assess quality in participative activity, we consider

- Arts quality
- Authenticity of product/s
- Distance travelled for participants and others
- Legacy

Projects like stART, Getting It, Moving On, Big Sky etc, work with difficult groups and support them in creating artworks (of whatever artform) which move, entertain, inform and astonish audiences. These reactions, together with our own assessments based on sector knowledge and cultural experience and the responses of other artists and professional colleagues, help us gauge the quality we have achieved. We also receive constant excellent feedback to our e-newsletters and other communications which promote and celebrate our projects, from people interested in and impressed by our work.

The fact that partners from all sectors want to continue working with us, developing new project ideas for the future, tells us that our partnership working is strong, and that our activities deliver their aims and engage their beneficiaries effectively.

As stated, TVA's stART project was featured on the cover of the national Arts Award brochure for 2011, since then, TVA has been recommended by an Arts Award moderator as a national exemplar.

We believe that TVA is a centre of excellence for creative participation.

Rowena Sommerville  
Director, TVA



## TEES VALLEY ARTS

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011

#### Reserves policy

It is the policy of the charity that, in order to maximise the amount of funding available for arts activities, that unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should not exceed £125000. At 31<sup>st</sup> March 2011 the level of free reserves was £67755.

This policy will be regularly reviewed by the trustees in the light of prevailing financial circumstances.

#### Investment policy

The charity invests its surplus funds according to its anticipated short and medium term needs. At present bank deposit accounts are considered to be the most suitable medium. The trustees will continue to review this policy.

#### **Responsibilities of the Trustees**

The trustees (who are also directors of Tees Valley Arts 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, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Trustees on 5<sup>th</sup> September 2011  
and authorised to sign on their behalf



A Campbell

Trustee



## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF TEES VALLEY ARTS**

We have audited the financial statements of Tees Valley Arts for the year ended 31<sup>st</sup> March 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, 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.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> March 2011, and of its 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 applicable to smaller entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

*(Continued)*



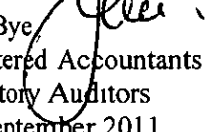
## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF TEES VALLEY ARTS**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements, or
- the charitable company has not kept adequate accounting records, or
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit.

New Garth House  
Upper Garth Gardens  
Guisborough  
TS14 6HA

  
S V Bye  
Chartered Accountants  
Statutory Auditors  
5<sup>th</sup> September 2011

SV Bye is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



**TEES VALLEY ARTS**  
**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE**  
**ACCOUNT) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

		Unrestricted	Restricted	Total Funds 2011	Total Funds 2010
	NOTE	£	£	£	£
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
<i>Voluntary income</i>					
Donations and grants for core funding	2	169940	30000	199940	177558
<i>Investment income - bank interest</i>		210	-	210	191
<b>Incoming resources from charitable activities</b>					
Grants and contracts for promotion of arts activities in the area	3	2724	271768	274492	228321
<b>Total Incoming Resources</b>		<u>172874</u>	<u>301768</u>	<u>474642</u>	<u>406070</u>
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>	4	121289	301768	423057	371596
<b>Governance costs</b>	4	22173	-	22173	23983
<b>Total Resources Expended</b>	4	<u>143462</u>	<u>301768</u>	<u>445230</u>	<u>395579</u>
<b>Net resources expended</b>					
- Net surplus/(deficit) for the year		29412	-	29412	10491
Total funds at 1 <sup>st</sup> April		<u>38343</u>	<u>-</u>	<u>38343</u>	<u>27852</u>
<b>Total funds at 31<sup>st</sup> March</b>	11	<u>67755</u>	<u>-</u>	<u>67755</u>	<u>38343</u>

The notes on pages 15 to 20 form part of these accounts



**TEES VALLEY ARTS**  
(Limited by Guarantee, not having a share capital)

**BALANCE SHEET**

**AS AT 31<sup>ST</sup> MARCH 2011**

	NOTE	£	2011 £	£	2010 £
<b>FIXED ASSETS</b>					
Tangible assets	7		-		-
<b>CURRENT ASSETS</b>					
Debtors	8	22543		38965	
Cash at bank and in hand		245177		237608	
		<hr/>		<hr/>	
		267720		276573	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	9	(196541)		(230494)	
		<hr/>		<hr/>	
<b>NET CURRENT ASSETS</b>			71179		46079
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	9		(3424)		(7736)
			<hr/>		<hr/>
<b>NET ASSETS</b>			67755		38343
			<hr/>		<hr/>
<b>FUNDS</b>					
Unrestricted	11		67755		38343
Restricted	11		-		-
			<hr/>		<hr/>
			67755		38343
			<hr/>		<hr/>

For the year ending 31<sup>st</sup> March 2011 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. However, an audit has been carried out in accordance with section 43 of the Charities Act 1993

**Directors' responsibilities**

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

*(Continued)*



**TEES VALLEY ARTS**  
**(Limited by Guarantee, not having a share capital)**

**BALANCE SHEET**

**AS AT 31<sup>ST</sup> MARCH 2011**

*(Continued)*

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

A Campbell



DIRECTOR AND TRUSTEE

Approved by the Board 5<sup>th</sup> September 2011  
and signed on its behalf by the above

The notes on pages 15 to 20 form part of these accounts



**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

**1 ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are as follows

**INCOMING RESOURCES**

**Donations and grants**

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable, except when donors specify that donations must be used in future accounting periods, when the income is deferred until those periods. Donated services and facilities are included at the value to the charity, where this can be quantified.

**Contracts for the provision of services**

Such income, which takes the form of grants and fees for services, is included in incoming resources when receivable except where it has been received in advance of the provision of the service. In these cases the income is deferred until the particular service is provided in full.

**Interest receivable**

Interest is included when receivable by the charity.

**RESOURCES EXPENDED**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

**Operating leases**

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

**TANGIBLE FIXED ASSETS**

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows -

	Annual rate
Office equipment	25%



**TEES VALLEY ARTS**

**NOTES TO THE ACCOUNTS**

**2 DONATIONS AND GRANTS FOR CORE FUNDING**

	<b>Total 2011 £</b>	<b>Total 2010 £</b>
<b>Unrestricted</b>		
Arts Council England, North East-Core	79756	78050
Middlesbrough Council- Grant	10414	10308
Local Councils-Donated premises	39770	49200
Hartlepool Borough Council	10000	10000
Stockton on Tees Borough Council	10000	10000
Redcar and Cleveland Borough Council	10000	10000
Darlington Borough Council	10000	10000
	<u>169940</u>	<u>177558</u>
<b>Restricted</b>		
Northern Rock Foundation	30000	-
	<u>30000</u>	<u>-</u>

**3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>2011 £</b>	<b>2010 £</b>
<b>Inclusion</b>				
-Northern Rock Foundation (see below)	-	1746	1746	36091
-Other grants and income	-	94748	94748	72035
Education	-	30411	30411	28754
Regeneration	-	731	731	5218
Education-Heritage and Environment	-	59525	59525	26402
Fees	-	46567	46567	37020
Miscellaneous	2724	38040	40764	22801
	<u>2724</u>	<u>271768</u>	<u>274492</u>	<u>228321</u>
<b>Northern Rock Foundation Grants</b>				
<i>Expanding the Cultural Capacity of the Tees</i>				
Received in the year	-	-	-	-
Deferred income released in the year	-	10409	10409	46500
Deferred income carried forward	-	(8663)	(8663)	(10409)
	<u>-</u>	<u>1746</u>	<u>1746</u>	<u>36091</u>
<b>Worldfest 2011</b>				
Received in the year	-	20000	20000	25000
Deferred income carried forward	-	(20000)	(20000)	(25000)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>1746</u>	<u>1746</u>	<u>36091</u>



# TEES VALLEY ARTS

## NOTES TO THE ACCOUNTS

### 3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES *continued*

Included in restricted funds above is £7800 from Lloyds TSB Foundation

### 4 TOTAL RESOURCES EXPENDED

	Basis of Allocation	Charitable Activities £	Governance Costs £	Total 2011 £	Total 2010 £
<b>Costs directly allocated to activities</b>					
Staff costs	Direct	68988	-	68988	65133
Project costs	Direct	180119	-	180119	125201
Audit and accountancy	Direct	-	2845	2845	3842
<b>Support costs allocated to activities</b>					
Staff costs	Usage	83783	9309	93092	88166
General office costs	Usage	54374	6042	60416	64037
Donated premises costs	Usage	35793	3977	39770	49200
		<hr/>	<hr/>	<hr/>	<hr/>
		423057	22173	445230	395579
		<hr/>	<hr/>	<hr/>	<hr/>

Total resources expended include

	2011 £	2010 £
Auditors remuneration		
- Audit fee	2500	2500
- Accounting and other services	345	1342
	<hr/>	<hr/>

### 5 TRUSTEES' REMUNERATION

The trustees neither received nor waived any emoluments during the year relating to their role as trustees. (2010 £NIL) No out of pocket expenses were reimbursed to any of the trustees

Some trustees were paid under contracts for services relating to their roles as artists and designers. Such payments to trustees are permitted by Clause 4 of the charity's Memorandum of Association. The amounts paid in the year were

	2011 £	2010 £
Mr K Howard	12014	6084
Proportion Marketing Ltd (Connected party of Mr J Pendleton)	5435	3790
Creative Glass Ltd (Connected party of Mr A Campbell)	-	3150
	<hr/>	<hr/>



**TEES VALLEY ARTS**  
**NOTES TO THE ACCOUNTS**

<b>6</b>	<b>STAFF COSTS</b>	<b>2011</b> <b>£</b>	<b>2010</b> <b>£</b>
	Wages and salaries	147571	139781
	Social security costs	14509	13518
		<u>162080</u>	<u>153299</u>

No employee earned more than £60000 in the year (2010 NIL)

The average number of employees, calculated on a full time equivalent basis, was

	<b>2011</b>	<b>2010</b>
Chief Executive	1	1
Arts officers	3	3
Administration and support staff	2	2
	<u>6</u>	<u>6</u>

**7 TANGIBLE FIXED ASSETS**

	<b>Office Equipment £</b>
<b>COST</b>	
At 1 <sup>st</sup> April 2010	74036
Disposal	-
	<u>74036</u>
At 31 <sup>st</sup> March 2011	74036
<b>DEPRECIATION</b>	
At 1 <sup>st</sup> April 2010	74036
Disposal	-
	<u>74036</u>
At 31 <sup>st</sup> March 2011	74036
<b>NET BOOK VALUE</b>	
At 31 <sup>st</sup> March 2011	-
	<u>-</u>
At 31 <sup>st</sup> March 2010	-
	<u>-</u>

There were no commitments to capital expenditure at 31<sup>st</sup> March 2011 and 31<sup>st</sup> March 2010



**TEES VALLEY ARTS**  
**NOTES TO THE ACCOUNTS**

<b>8</b>	<b>DEBTORS</b>	<b>2011</b> <b>£</b>	<b>2010</b> <b>£</b>
	Trade debtors	19045	35401
	Prepayments and accrued income	3498	3564
		<hr/>	<hr/>
		22543	38965
		<hr/> <hr/>	<hr/> <hr/>

All debtors are due within one year

**9a CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2011</b> <b>£</b>	<b>2010</b> <b>£</b>
Creditors & accruals	12234	4836
Social security and other taxes	4836	6941
Charity Bank Loan	4312	4041
Deferred income (see below - note 10)	175159	214676
	<hr/>	<hr/>
	196541	230494
	<hr/> <hr/>	<hr/> <hr/>

**9b CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2011</b> <b>£</b>	<b>2010</b> <b>£</b>
Charity Bank Loan	3424	7736
	<hr/> <hr/>	<hr/> <hr/>
The Charity Bank Loan carries interest at 6.5% and is repayable in monthly instalments as follows		
Within 2 years	3424	4312
Between 2 and 5 years	-	3424
	<hr/>	<hr/>
	3424	7736
	<hr/> <hr/>	<hr/> <hr/>

**10 DEFERRED INCOME**

	<b>2011</b> <b>£</b>
Balance at 1 <sup>st</sup> April 2010	214676
Amount released to incoming resources	(214676)
Amount deferred in the year	175159
	<hr/>
Balance at 31 <sup>st</sup> March 2011	175159
	<hr/> <hr/>

Deferred income represents grants received which have been specified by the donor for use in future periods and also fees and grants for arts projects received in advance of the provision of the particular service to be provided



# TEES VALLEY ARTS

## NOTES TO THE ACCOUNTS

### 11 STATEMENT OF FUNDS

	Balance at 31 <sup>st</sup> March 2010 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 <sup>st</sup> March 2011 £
Unrestricted funds	38343	172874	(143462)	-	67755
Restricted funds	-	301768	(301768)	-	-
	<u>38343</u>	<u>474642</u>	<u>(445230)</u>	<u>-</u>	<u>67755</u>

### 12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	-	-
Current assets	92561	175159	267720
Current liabilities	(21382)	(175159)	(196541)
Creditors amounts falling due after more than 1 yr	(3424)	-	(3424)
Net assets at 31 <sup>st</sup> March 2011	<u>67755</u>	<u>-</u>	<u>67755</u>

### 13 RELATED PARTIES

The charity has a close relationship with Arts Council England, North East which is itself a charity. It provides funding to enable the charity to carry out its charitable objects.

The following is a summary of transactions with this party	2011 £	2010 £
<b>Grants for core funding</b>		
Arts Council England, North East	79756	78050

This income has been included in the financial statements under the heading 'Voluntary Income' in Incoming Resources.

At 31<sup>st</sup> March 2011 there were no balances due either to or from related parties (2010 £Nil)