

COMPANY REGISTRATION NUMBER: 04101324
CHARITY REGISTRATION NUMBER: 1093556

Zion Arts Centre Limited (T/A Z-Arts)
Company Limited by Guarantee
Consolidated Financial Statements
31 March 2020



Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Financial Statements

Year Ended 31 March 2020

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Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year Ended 31 March 2020

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the group for the year ended 31 March 2020.

Reference and Administrative Details

Registered charity name	Zion Arts Centre Limited (T/A Z-Arts)
Charity registration number	1093556
Company registration number	04101324
Principal office and registered office	335 Stretford Road Hulme Manchester M15 5ZA

The Trustees

S Armitage
A Lone
Cllr N Ali (Resigned 11 December 2019)
A Gill
J Longmore
S Hiscock
I Cecil
G Lister
R Fox
J Baylis (Resigned 11 September 2019)
H Banks (Resigned on 26 September 2019)
E Ransome (Appointed 11 September 2019)

Company Secretary Elizabeth O'Neill

Auditor Beever and Struthers
Chartered accountant & statutory auditor
St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

Bankers CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Solicitors DWF LLP
5 Castle Street
Liverpool
L2 4XE

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

Structure, Governance and Management Governing document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 2nd November 2000 and as amended by two special resolutions dated 5th August 2010 and 15th March 2016. It is registered as a charity with the Charity Commission.

Persons are admitted to membership by the unanimous approval of the existing members. Members may cease to be members of the company by serving notice of their intention to resign.

There are currently twelve members of the company, each of whom agrees to contribute a sum not exceeding £1 in the event of the charity being wound up.

Z-arts is governed by a board of voluntary trustees, who employ a Chief Executive. There is a Senior Management Team of four. Decisions are made at Executive level, with decisions that have an impact on the business or a financial cost of over £2,000 being taken to trustee level. The CEO Reports to the trustees on a quarterly basis, in addition there is a quarterly finance sub-committee and focus groups reporting to the trustees on specific initiatives as required. All trustee and staff roles follow safe and inclusive recruitment procedures. All salaries have been benchmarked against other Arts organisations to ensure that they are comparable and appropriate for the organisation. There is a thorough Terms of Reference for trustees and an induction procedure which was updated in August 2020.

Appointment of directors and trustees

The first directors of the company were appointed on incorporation. The directors, who are the trustees, have the power to appoint any person who is willing to be a director either to fill a vacancy or as an additional director. The number of directors should not be less than four or more than sixteen. In addition, Manchester City Council has the power to appoint one director, a City Director, for every three non-city directors subject to the upper limit on the size of the Board.

Following a resolution of the board in 2010, directors are appointed for a term of three years after which they may apply for re-election. No director may remain in office for more than two terms unless a serving director is elected as chair in which case he or she may serve for a maximum of three terms before stepping down. All other directors (except City Council appointed Directors) must step down after two terms for at least one year before they can be re-elected as directors. Directors may not be removed from office except if they are disqualified (under the company rules) from continuing to act, if they have been appointed for a fixed term that is expired or, if they are a nominee of Manchester City Council if the Council resolves to remove them. The directors have no beneficial interest in the company and are not remunerated for any of the services they provide as directors of the company.

Related Parties

None of the trustees receive remuneration or any other benefits from their trusteeship. Each year trustees complete a Conflict of Interest Statement and a Declaration of Commitment Statement. Any connection between a trustee or a senior manager and a company, institution or artist that Z-arts engages with must be stated in this form, or at a meeting if it occurs during the year. In this year we have appointed a new trustee Elizabeth Ransome who is employed by Chorlton High School, where Z-arts occasionally delivers workshops. Elizabeth is also on the Manchester Cultural Education Partnership, which Z-arts facilitates. Manchester City Council, who lease the building to Z-arts and provide strategic core funding, appoint two directors on the board of trustees. In this year they have been Cllr Ali and Cllr Douglas (both since resigned).

Zion Arts Centre Limited (T/A Z-Arts)

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

Objectives and Activities

The charity's objectives are: -

To promote, maintain, improve, develop and advance public education and training in the arts for the benefit of, but not limited to, young people, by operating a centre for the presentation for the public of music, opera, dance, drama, the visual arts, films, video, multimedia, sound, exhibitions of all kinds as are conducive to the promotion, maintenance, improvement and participation in and advancement of education or to the encouragement of the arts, whether on premises owned or leased by the Company or elsewhere.

The Charity's main activities are: -

- The promotion and facilitation of arts events and activities for children, young people and families.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The charity relies on the voluntary services of the trustees, and on grants and the income from fees and charges to cover its operating costs. In setting the level of fees and charges the trustees give consideration to the accessibility to activities for those on low income. Z-arts relies on volunteers to support the participation programme, and has introduced a revised training and development programme to develop volunteer skills, leading to paid employment as facilitators.

This marks the half-way point of our Strategic Plan 2018-2022, which has five core aims:

1. To grow as a resilient, nationally respected, strategic lead delivering best practice in performance and participatory arts activities and events for children and families
2. Children, young people and families across Greater Manchester and the wider North will have greater influence over, and gain more creative skills through a wide-reaching multi-art-form enrichment programme
3. More, excellent performances for children and families will be available for audiences across the North
4. We will retain and grow existing audiences, with a greater number of diverse audiences engaging with and benefiting from our wide-ranging programme
5. More diverse artists will be nurtured and supported to make excellent contemporary theatre, performance and arts activities for children and families, with more opportunities to share the work and learning regionally, nationally and internationally.

Achievements and Performance

2019 – 2020 was Z-arts second year as an Arts Council England (ACE) Band 2 National Portfolio (NPO), (£255,000 p/a). Core funding from Manchester City Council (MCC) continues until April 2021, and a second year of new two-year core funding from Greater Manchester Combined Authorities (GMCA); continuing the long-term financial stability for the organisation.

The sustained investment from ACE and MCC has further strengthened Z-arts role as a national leader in creative practice for children and families, leading the Manchester Family Arts Network, which has twenty members throughout the city; the region-wide Big Imaginations network of twenty-one venues across the North West and Yorkshire who share a commitment to bringing brilliant children's theatre to the region; and coordinating the Manchester Cultural Education Partnership (with fifteen cultural organisations and fourteen schools), which officially launched in March 2020.

New theatre seats were installed in March 2020, as a result of sponsorship from Renaker Build Ltd and funding from the Foyle Foundation.

2019-2020 saw the first full year of the new national partnership with Discover Children's Story Centre in London, which brings Z-arts an immersive exhibition for children each year. "A World Inside A Book" brought in over 20,000 new attendees and became a significant new income stream. Closing in December 2019, it was followed by "Tiger & Mog" which opened in February 2020, due to run until December 2020. The Levi's studio sponsorship from 2017/18 continued, enabling the organisation to run additional digital music programmes for young people alongside its regular activities. The Big Imaginations network held a region-wide festival of children's theatre in October 2019. It featured 10 theatre companies including three international companies, and a new commission 'Stitch Brothers Patchwork Wonders'. There were 111 performances of the programme across 60 different dates with 3302 people attending. Most Bright Sparks after-school activities continue to be fully booked. Z-arts continues to exceed its target and gets over 100,000 visitors / users per annum.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

Z-arts continue to make a difference to some of the most disadvantaged children in Manchester, improving their lives through increasing their mental and physical health and well-being, by offering free creative activities in the building, in schools and in communities – activities that increase confidence, self-awareness, communication skills, raise aspirations and improve happiness.

The last two weeks of the financial year were challenging due to the Coronavirus pandemic, as Z-arts shut the building on 16th March.

Terms of occupation and sub-letting of premises

The company occupies premises owned by Manchester City Council. The company has benefited from its occupation through its own use of the premises and through sub-letting part of the premises. We provide an affordable base for emerging artists and Creative SME's to base themselves and produce new work. Our primary tenant is Sustained Theatre Up North (STUN) who inhabit our studio theatre on a ten-year sub-lease, supported by Arts Council England, until 1st November 2023.

Financial Review

The Company has experienced a positive year financially, seeing total funds increase by 28% to £573,458 (2019: £448,316).

Donations and legacies have remained broadly flat, at £577,355 compared to £571,522 in 2019. This is mainly due to the second year of the £255,000 p/a grant from Arts Council England, which continues to support the organisation to deliver a region-wide children's theatre programme. Manchester City Council has also continued to show its support for Z-arts as a strategic lead in the city on culture for children and young people. This has been complemented by an additional grant of £49,750 from the Greater Manchester Combined Authority.

The main reason for the increase in funds has been a £172,720 (30%) increase in income from Charitable activities, from £583,276 in 2019 to £756,266 in 2020. This has been driven by the great success of "A World Inside a Book", which as noted in the 'Achievements and Performance' section, brought in more than 20,000 new attendees and was a significant revenue stream.

The increase in revenue generating activities has necessitated an increase in expenditure of £148,958 (13%), from £1,184,844 in 2019 to £1,333,802 in 2020.

Principle Risks and Uncertainties

The trustees have a risk management strategy which comprises a regular review of the risks the Company may face, the establishment of systems and processes designed to mitigate those risks and the implementation of procedures intended to minimise the impact on the Company should those risks materialise.

This review has identified that financial sustainability could be an issue if the Company lost one of its key income streams and the Company maintains a contingency reserve, should the business no longer be viable (see 'Reserves Policy' below). Attention has also been focussed on non-financial risks, including building repairs and maintenance, which potentially impact the use of the building for revenue generating activities.

With the Coronavirus pandemic resulting in the closure of the building and the associated loss of revenue, the Company has utilised all possible funding opportunities to ensure that we can continue to operate as a Going Concern.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

Going Concern

Despite the impact of the Coronavirus pandemic on the 2020/ 21 operating plan, we have been able to continue to deliver to our objectives by moving all participation activities online, thereby reaching more people, as well as delivering craft packs to families by post and through food banks. During closure we have prioritized improving safety measures in the building, so that we are ready to reopen when government guidelines allow. This is now scheduled for autumn 2020.

The continued support of Arts Council England through NPO funding, MCC through its revenue grant funding and continued GMCA funding both this year and next, along with the Job Retention Scheme, backed by our current conservative budgeting and forecasting and substantial reserves has enabled us to maintain cashflow. After carefully considering the Company's financial position and prospects, the trustees have concluded that it is appropriate to adopt the going concern basis of preparation.

Reserves Policy

Z-arts Reserve Policy prioritises the closure contingency of £118,560 ring fencing this amount first. A further reserve of £25,000 should be held as contingency in case of unforeseen loss or reduction of any revenue stream giving a total contingency reserve figure of £133,404.

It is deemed necessary to hold a closure contingency to allow for the winding down of the charity should the organisation be forced to close for unseen circumstances.

Wind down staff calculations have been calculated at x3 months commitment to senior management staff salaries. Supplier Contracts represents half annual cost of any annual contracts with suppliers plus remaining lease obligations

An amount of £25,000 is held in reserve in case of loss or shortfall in any particular funding stream. This will enable specific projects to continue whilst a replacement source of income is found. Having reached our agreed closure contingency target, 50% of any additional unrestricted reserves be allocated to a future capital project. A maximum of 20% unallocated reserves go towards staff incentive and retention schemes to help retain key staff. 30% remains in unrestricted reserves for future creative projects, building maintenance, technical, youth-led projects.

This year, £20,000 of unrestricted reserves have been designated to cover the additional depreciation charge on the new theatre seats

Following a positive financial performance our free reserves now stand at £176,348, £43k over our contingency reserve figure. Although ordinarily we would prioritise the spending of these surplus reserves on future capital projects and creative projects, we currently anticipate using some of the free reserves to compensate for lost income during the ongoing covid19 pandemic so that we can maintain our creative charitable activities.

Despite the current uncertain economic environment, Z-arts continues to prioritise diversifying its funding streams through earned income, public bodies and private sponsorship to reduce reliance on any single source of income.

Plans for Future Periods

Plans for 2020/21 have been curtailed by the Coronavirus pandemic. The building was closed due to the national lockdown, but continued to deliver participation activities online, increasing digital audiences significantly. Z-arts also used the lockdown period to invest in artists making new work for young audiences, to ensure a diverse programme is ready for when we are able to re-open.

The Tiger & Mog exhibition which was due to continue until December 2020, has been extended until August 2021 to maximise sales. The city-wide programme for the Manchester Cultural Education Partnership continues to grow, putting creativity at the heart of the Manchester curriculum.

Z-arts participated in the government Job Retention Scheme to ensure it remained a viable business.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

Trustees' Responsibilities Statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 9 September 2020 and signed on behalf of the board of trustees by:



Elizabeth O'Neill
Charity Secretary

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Independent Auditor's Report to the Members of Zion Arts Centre Limited (T/A Z-Arts)

Year ended 31 March 2020

Opinion

We have audited the group and the parent charity group financial statements of Zion Arts Centre Limited (T/A Z-Arts) (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 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 charity's affairs as at 31 March 2019 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Independent Auditor's Report to the Members of Zion Arts Centre Limited (T/A Z-Arts) (continued)

Year ended 31 March 2020

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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; and
- 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 the knowledge and understanding of the charity 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 the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 directors' report and from the requirement to prepare a strategic report.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Independent Auditor's Report to the Members of Zion Arts Centre Limited (T/A Z-Arts) (continued)

Year ended 31 March 2020

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Independent Auditor's Report to the Members of Zion Arts Centre Limited (T/A Z-Arts) (continued)

Year ended 31 March 2020

Use of Our Report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members 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 the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

Sue Hutchinson FCCA
SENIOR STATUTORY AUDITOR

For and on behalf of Beever and Struthers, Statutory Auditor
St. George's House
215-219 Chester Road
Manchester
M15 4JE

Dated: *9 October 2020*

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Consolidated Statement of Financial Activities (including income and expenditure account)

31 March 2020

		Unrestricted funds	Restricted funds	Total funds 2020	Total funds 2019
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	577,355	-	577,355	571,522
Charitable activities	6	496,798	259,398	756,196	583,276
Investment income	7	2,489	-	2,489	1,794
Trading activities					
Commercial trading operations	8	122,904	-	122,904	84,143
Other income	9	-	-	-	331
		<u>1,199,546</u>	<u>259,398</u>	<u>1,458,944</u>	<u>1,241,066</u>
Expenditure					
Expenditure on charitable activities	10,11	1,036,497	175,513	1,212,010	1,101,475
Expenditure on raising funds:					
Commercial trading operations	8	121,792	-	121,792	83,369
Total expenditure		<u>1,158,289</u>	<u>175,513</u>	<u>1,333,802</u>	<u>1,184,844</u>
Net income and net movement in funds		<u>41,257</u>	<u>83,885</u>	<u>125,142</u>	<u>56,222</u>
Reconciliation of funds					
Total funds brought forward		189,263	259,053	448,316	392,094
Total funds carried forward		<u>230,520</u>	<u>342,938</u>	<u>573,458</u>	<u>448,316</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 26 form part of these financial statements.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Consolidated and Charity Statement of Financial Position

31 March 2020

		Group		Charity	
		2020	2019	2020	2019
		£	£	£	£
Fixed assets					
Tangible fixed assets	16	261,615	179,480	259,731	177,300
Investments	17	-	-	100	100
		<u>261,615</u>	<u>179,480</u>	<u>259,831</u>	<u>177,400</u>
Current assets					
Stocks	18	4,890	7,247	-	-
Debtors	19	192,504	154,206	198,984	161,959
Short-term deposits	20	378,092	466,906	378,092	466,906
Cash at bank and in hand	20	64,533	78,810	59,643	74,241
		<u>640,019</u>	<u>707,169</u>	<u>636,719</u>	<u>703,106</u>
Creditors: amounts falling due within one year	21	<u>328,176</u>	<u>438,333</u>	<u>323,566</u>	<u>432,415</u>
Net current assets		<u>311,843</u>	<u>268,836</u>	<u>313,153</u>	<u>270,691</u>
Total assets less current liabilities		<u>573,458</u>	<u>448,316</u>	<u>572,984</u>	<u>448,091</u>
Net assets		<u>573,458</u>	<u>448,316</u>	<u>572,984</u>	<u>448,091</u>
Funds of the charity					
Restricted funds		342,938	259,053	230,096	257,219
Unrestricted funds		230,520	189,263	342,888	190,872
Total charity funds	22	<u>573,458</u>	<u>448,316</u>	<u>572,984</u>	<u>448,091</u>

The Trustees have prepared group accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the board of trustees and authorised for issue on and are signed on behalf of the board by:



R Fox
Trustee

The notes on pages 14 to 26 form part of these financial statements.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Statement of Cash Flows and Consolidated Statement of Cash Flows

Year ended 31 March 2020

	Group 2020 £	2019 £	Charity 2020 £	2019 £
Cash flows from operating activities				
Net income/(expenditure)	125,142	56,222	124,893	56,198
<i>Adjustments for:</i>				
Depreciation of tangible fixed assets	45,296	43,006	44,434	42,254
Other interest receivable and similar income	(2,489)	(1,794)	(2,489)	(1,794)
<i>Changes in:</i>				
Stocks	2,357	(3,814)	-	-
Trade and other debtors	(38,298)	32,525	(37,025)	45,854
Trade and other creditors	(110,157)	53,141	(108,849)	48,298
Cash generated from operations	21,851	180,132	20,964	191,658
Interest received	2,489	1,794	2,489	1,794
Proceeds from fixed asset disposals	-	848	-	848
Net cash used in operating activities	<u>24,340</u>	<u>181,928</u>	<u>23,453</u>	<u>193,452</u>
Cash flows from investing activities				
Purchase of tangible assets	(127,431)	(26,587)	(126,865)	(26,128)
Net cash used in investing activities	<u>(127,431)</u>	<u>(26,587)</u>	<u>(126,865)</u>	<u>(26,128)</u>
Net decrease in cash and cash equivalents	(103,091)	155,341	(103,412)	167,324
Cash and cash equivalents at beginning of year	545,716	390,375	541,147	373,823
Cash and cash equivalents at end of year	20 <u>442,625</u>	<u>545,716</u>	<u>437,735</u>	<u>541,147</u>

The notes on pages 14 to 26 form part of these financial statements.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2020

1. General Information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 335 Stretford Road, Hulme, Manchester, M15 5ZA.

2. Statement of Compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting Policies

Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Zion Arts Centre Limited (T/A Z-Arts) meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis

There are no material uncertainties about the charity's ability to continue, therefore, the accounts have been prepared on a going concern basis.

Basis of Consolidation

The Statement of Financial Activities (SOFA) and 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 availed itself of Paragraph 4(1) of Schedule 1 of the Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the Charity's activities. A separate Statement of Financial Activities and income and expenditure account for the Charity has not been presented because the Trust has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting Policies *(continued)*

Fund Accounting

The charity has a number of restricted funds to account for in situations where a donor requires that a grant or donation must be spent on a particular purpose. All other funds are unrestricted income funds.

Designated funds are funds which have been allocated or designated for specific purposes by the company out of the unrestricted funds.

The funds held in each of these categories are disclosed in note 22.

Stock

Stocks are valued at the lower of cost or net realisable value, after making due allowance for obsolete or slow moving items.

Incoming Resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.
- café income is recognised at the point of sale, which is when cash is received from the customer.

Resources Expended

Expenditure is recognised when a liability is incurred.

Charitable activities include the expenditure associated with the operation of the charity, and include both the direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include the central functions that are not attributable to a single activity, rather providing the infrastructure that enables the activities to take place.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting Policies *(continued)*

Tangible Assets

All fixed assets are initially recorded at cost. Any fixed assets costing less than £500 are not capitalised but written off to revenue in the year of acquisition.

Depreciation is provided on the cost of tangible fixed assets in order to write off the over the expected useful life of the assets life on a straight line basis.

Depreciation

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

Stun Studio	- 10% straight line
Static Equipment	- 33% straight line
Fixtures and Fittings	- 25% straight line
Computer Equipment	- 33% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Short-term deposits

Short-term deposits include highly liquid investments with original maturities of three months or more but not more than one year from the purchase date.

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

4. Limited by Guarantee

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 2nd November 2000 and as amended by two special resolutions dated 5th August 2010 and 15th March 2016. It is registered as a charity with the Charity Commission.

Persons are admitted to membership by the unanimous approval of the existing members. Members may cease to be members of the company by serving notice of their intention to resign.

There are currently eleven members of the company, each of whom agrees to contribute a sum not exceeding £1 in the event of the charity being wound up.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

5. Donations and Legacies - Charity

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Monetary donations	47,685	-	47,685
Donation from Trading Subsidiary	20,500	-	20,500
	<u>68,185</u>	<u>-</u>	<u>68,185</u>
Grants			
Manchester City Council	204,420	-	204,420
Greater Manchester Combined Authority	49,750	-	49,750
Arts Council	255,000	-	255,000
	<u>509,170</u>	<u>-</u>	<u>509,170</u>
Total	<u>577,355</u>	<u>-</u>	<u>577,355</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Monetary donations	44,594	-	44,594
Donation from Trading Subsidiary	7,000	-	7,000
	<u>51,594</u>	<u>-</u>	<u>51,594</u>
Grants			
Manchester City Council	215,178	-	215,178
Greater Manchester Combined Authority	49,750	-	49,750
Arts Council	255,000	-	255,000
	<u>519,928</u>	<u>-</u>	<u>519,928</u>
Total	<u>571,522</u>	<u>-</u>	<u>571,522</u>

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

6. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Venue hire, shared BO and gallery	366,803	-	366,803
Bar and catering sales	220	-	220
Project grants	74,048	259,398	333,446
Rents receivable	55,727	-	55,727
	<u>496,798</u>	<u>259,398</u>	<u>756,196</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Venue hire, shared BO and gallery	244,524	-	244,524
Bar and catering sales	300	-	300
Project grants	76,632	202,079	278,711
Rents receivable	59,741	-	59,741
	<u>381,197</u>	<u>202,079</u>	<u>583,276</u>

7. Investment Income - Charity

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Bank interest receivable	<u>2,489</u>	<u>2,489</u>	<u>1,794</u>	<u>1,794</u>

8. Commercial Trading Operations

Commercial trading operations relates to the trading subsidiary company Z-Arts Trading Limited, company number 8468095. The principal activities of Z-Arts Trading Limited is the operation of a café bar. The profit during the year ended 31 March 2020 was £250 (2019: £22).

9. Other Income - Charity

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Gain on disposal of tangible fixed assets held for charity's own use	<u>-</u>	<u>-</u>	<u>331</u>	<u>331</u>

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

10. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Salaries and employer's NIC	518,055	58,023	576,078
Activities costs	286,991	62,312	349,303
Other direct costs	19,347	-	19,347
Promotional costs	29,714	59	29,773
Training, recruitment, travel and motor	15,930	1,358	17,288
Professional fees	5,096	-	5,096
Bank charges and subscriptions	6,687	-	6,687
Property costs	131,519	24,473	155,992
Depreciation	16,008	29,288	45,296
Support costs	7,150	-	7,150
	<u>1,036,497</u>	<u>175,513</u>	<u>1,212,010</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Salaries and employer's NIC	466,655	50,572	517,227
Activities costs	223,466	75,045	298,511
Other direct costs	31,202	-	31,202
Promotional costs	21,695	-	21,695
Training, recruitment, travel and motor	11,169	9,056	20,225
Professional fees	2,384	-	2,384
Bank charges and subscriptions	5,948	-	5,948
Property costs	148,760	3,000	151,760
Depreciation	13,005	30,001	43,006
Support costs	9,517	-	9,517
	<u>933,801</u>	<u>167,674</u>	<u>1,101,475</u>

11. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly £	Support costs £	Total funds 2020 £	Total fund 2019 £
Salaries and employer's NIC	576,078	-	576,078	517,227
Activities costs	349,303	-	349,303	298,511
Other direct costs	19,347	-	19,347	31,202
Promotional costs	29,773	-	29,773	21,695
Training, recruitment, travel and motor	17,288	-	17,288	20,225
Professional fees	5,096	-	5,096	2,084
Bank charges and subscriptions	6,687	-	6,687	5,948
Property costs	155,992	-	155,992	151,760
Depreciation	27,551	17,745	45,296	43,306
Governance costs	-	7,150	7,150	9,517
	<u>1,187,115</u>	<u>24,895</u>	<u>1,212,010</u>	<u>1,101,475</u>

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

12. Net Income/(Expenditure)

Net (expenditure)/income is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	45,296	43,306
Gains on disposal of tangible fixed assets	-	(784)
Operating Lease rentals	<u>46,263</u>	<u>46,316</u>

13. Auditors Remuneration

	2020	2019
	£	£
Fees payable to the external auditors for the audit of the financial statements	5,220	5,220
Fees payable to the external auditors for other services	<u>1,095</u>	<u>1,795</u>
	<u>6,315</u>	<u>7,015</u>

14. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	592,654	517,227
Social security costs	38,241	36,397
Pension costs	<u>9,091</u>	<u>5,392</u>
	<u>639,986</u>	<u>559,016</u>

The average head count of employees during the year was 43 (2019: 40). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Number of operations staff	18	15
Number of creative staff	5	5
Number of management staff	<u>5</u>	<u>5</u>
	<u>28</u>	<u>25</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

Key Management Personnel

Key management personnel are the trustees, the chief executive, head of finance and operations, head of creative development, head of programming and big imaginations and head of premises and technical. Last year they consisted of the trustees, the chief executive, general manager and creative and development manager. The total compensation paid to key management personnel for services provided to the charity was £179,285 (2019: £126,726).

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

15. Trustee Remuneration and Expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

16. Tangible Fixed Assets – Group

	Stun Studio £	Static Equipment £	Portable Equipment £	Theatre Seating £	Fixtures & Fittings £	Total £
Cost						
At 1 April 2019	227,866	49,782	236,776	-	3,454	517,878
Additions	-	3,810	2,854	120,201	566	127,431
Disposals	-	-	(38,940)	-	-	(38,940)
At 31 March 2020	227,866	53,592	200,690	120,201	4,020	606,369
Depreciation						
At 1 April 2019	120,318	44,943	171,863	-	1,274	338,398
Charge for the year	22,786	3,402	17,745	501	862	45,296
Release on disposals	-	-	(38,940)	-	-	(38,940)
At 31 March 2020	143,104	48,345	150,668	501	2,136	344,754
Carrying amount						
At 31 March 2020	84,762	5,247	50,022	119,700	1,884	261,615
At 31 March 2019	107,548	4,839	64,913	-	2,180	179,480

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

16. Tangible Fixed Assets – Charity

	Stun Studio £	Static Equipment £	Portable Equipment £	Theatre Seating £	Total £
Cost					
At 1 April 2019	227,866	49,782	236,776	-	514,424
Additions	-	3,810	2,854	120,201	126,864
Disposals	-	-	(38,940)	-	(38,940)
At 31 March 2020	227,866	53,592	200,690	120,201	602,349
Depreciation					
At 1 April 2019	120,318	44,943	171,863	-	337,124
Charge for the year	22,786	3,402	17,745	501	44,434
Release on disposals	-	-	(38,940)	-	(38,940)
At 31 March 2020	143,104	48,345	150,668	501	342,618
Carrying amount					
At 31 March 2020	84,762	5,247	50,022	119,700	259,731
At 31 March 2019	107,548	4,839	64,913	-	177,030

17. Investments - Charity

Analysis of investments at 31 March 2020 between funds

	Unrestricted Funds £	Restricted Funds £	Total funds 2020 £	Total funds 2019 £
Other Investments				
UK Group undertakings	100	-	100	100

The investment represents 100% of the Ordinary Share Capital of 100 shares of £1 each of Z-Arts Trading Limited. Z-Arts Trading Limited is a wholly owned subsidiary of Zion Arts Centre Limited. The subsidiary company is incorporated in England and Wales. The principal activities during the year was the operation of a café bar.

18. Stock

	Group 2020 £	2019 £	Charity 2020 £	2019 £
Stock in hand	4,890	7,427	-	-

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

19. Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	155,472	98,258	155,916	96,856
Amounts owed by group undertakings	-	-	6,036	9,155
Other debtors	37,032	55,948	37,032	55,948
	<u>192,504</u>	<u>154,206</u>	<u>198,984</u>	<u>161,959</u>

20. Cash and Cash Equivalents

Cash and cash equivalents comprise the following:

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Cash at bank and in hand	64,533	78,810	59,643	74,241
Short-term deposits	378,092	466,906	378,092	466,906
	<u>442,625</u>	<u>545,716</u>	<u>437,735</u>	<u>541,147</u>

21. Creditors: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	52,597	77,688	52,017	76,046
Social security and other taxes	19,343	21,196	15,213	18,087
Accruals and deferred income	256,236	339,449	256,336	338,282
	<u>328,176</u>	<u>438,333</u>	<u>323,566</u>	<u>432,415</u>

Deferred income

	£
Balance b/fwd at 1st April 2019	269,299
Released in the year	(116,421)
Deferred in the year	27,481
Balance c/fwd at 31 March 2020	<u>180,359</u>

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

22. Analysis of Charitable Funds Unrestricted funds- Group and Charity

	At 1 April 2019 £	Income £	Expenditure £	Transfer	At 31 March 2020 £
General funds	169,263	1,199,546	(1,158,289)	-	210,520
Designated Fund					
Capital depreciation	20,000	-	-	-	20,000
	<u>189,263</u>	<u>1,199,546</u>	<u>(1,158,289)</u>	<u>-</u>	<u>230,520</u>

Restricted funds – Group and Charity

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
Stun Capital grant	135,285	-	(28,786)	106,499
Paul Hamlyn	79,228	-	(11,577)	67,651
ABRSM Generation Z	-	10,000	(3,624)	6,376
Children in Need 2017	741	34,723	(35,464)	-
1961 Charity	-	4,000	(4,000)	-
Future Arts Centre Here and Now	-	5,000	(2,400)	2,600
Family Arts Network	-	3,060	(2,465)	595
Start Funding	4,389	3,450	(7,839)	-
Foyle Foundation	-	20,000	-	20,000
Garfield Weston	-	15,000	(15,000)	-
Bauer Radio Cash 4 Kids	-	1,500	(1,500)	-
MCEP	-	20,000	(2,531)	17,469
Granada Foundation	-	3,000	(3,000)	-
John Thaw	-	810	-	810
Levis Music Project	5,194	68,632	(36,552)	37,274
UK Theatres Trust	-	5,000	(3,365)	1,635
One Mcr – World in a book	4,880	-	(4,880)	-
One Mcr – Tiger School	-	4,880	-	4,880
One Mcr – Family Jam	-	5,000	(800)	4,200
PRSF	820	4,250	(5,070)	-
Renakers Seats	26,666	40,000	(501)	66,165
Santander Fund	1,850	-	(1,850)	-
Thrive (Young Manchester)	-	9,123	(2,339)	6,784
Uni Construction Fund	-	1,970	(1,970)	-
	<u>259,053</u>	<u>259,398</u>	<u>(175,513)</u>	<u>342,938</u>

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

22. Analysis of Charitable Funds *(continued)*

Unrestricted funds- Group and Charity

	At 1 April 2018	Income	Expenditure	Transfer	At 31 March 2019
	£	£	£		£
General funds	167,446	1,038,987	(1,017,170)	(20,000)	169,263
Designated Fund					
Big Imagination Festival	-	-	-	20,000	20,000
	<u>167,446</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>189,263</u>

Restricted funds – Group and Charity

	At 1 April 2018	Income	Expenditure	At 31 March 2019
	£	£	£	£
Stun Capital grant	165,286	-	(30,001)	135,285
Paul Hamlyn	33,434	69,681	(23,887)	79,228
ACE Catalyst	8,151	-	(8,151)	-
Children in Need 2017	444	38,111	(37,814)	741
Family Arts Grant	1,184	1,000	(2,184)	-
Diversifying Family Offer ACE G4A	341	1,495	(1,836)	-
HIWTAI move from Levis	295	1,200	(1,495)	-
Start Funding	1,468	13,909	(10,988)	4,389
Youth Music 2017	14,045	2,988	(17,033)	-
Future Arts Centre Stratford	-	4,189	(4,189)	-
GMCA Aris Fund Longsight	-	871	(871)	-
GMP Summer Programme	-	2,000	(2,000)	-
Granada Foundation	-	1,000	(1,000)	-
John Thaw	-	500	(500)	-
Levis Music Project	-	19,609	(14,415)	5,194
MCC Small Inc Fund	-	2,000	(2,000)	-
One Mcr – World in a book	-	4,880	-	4,880
PRSF	-	4,250	(3,430)	820
Renakers Seats	-	26,666	-	26,666
Santander Fund	-	4,000	(2,150)	1,850
Skelton Bounty	-	3,240	(3,240)	-
Uni Construction Fund	-	490	(490)	-
	<u>224,648</u>	<u>202,079</u>	<u>(167,674)</u>	<u>259,053</u>

Stun Capital Grant

To re develop the studio into a fully equipped theatre studio and refurbish associated office space.

Paul Hamlyn

To support the CEO and the organisation to develop, commission and produce new work that reflects the diverse nature of family experience today.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2020

Restricted funds – Group and Charity (*continued*)

ACE Catalyst

A grant to enable the development of Z-arts own fundraising and private giving schemes.

ABRSM Generation Z

Grant to facilitate young people's music project.

Children in need

Grant to enable the provision of free weekly after school activities

1961 Charity

Grant to facilitate children's arts activities.

Future Arts Centre Here and Now

Company Chameleon commission - celebrating 25 years of National lottery

Start Funding

Schools engagement programme funding.

Foyle Foundation

Grant towards new theatre seats project

Garfield Weston

Grant to cover core costs

Bauer Radio Cash 4 Kids

Grant to facilitate arts activities for children

MCEP

Grant to manage the Manchester Cultural Education Partnership

Granada Foundation

Grant to support the Big imaginations children's festival

John Thaw

Grant to cover costs for a storyteller for Tiger and Mog.

Levis Music Project

To support the running of the Levis music studio.

UK Theatres Trust

To provide access and environmental improvements

One Mcr – World in a book

To facilitate schools' visits to "A world inside a book".

One Mcr – Tiger and Mog

To facilitate schools' visits to "Tiger and Mog".

One Mcr – Family Jam

To facilitate Friday night family jam in the café.

PRSF

To facilitate "rush hour jam" monthly music concerts in Z-arts café and provide workshops and masterclasses for young musicians.

Renakers Seats

To pay for new theatre seating in the main auditorium.

Santander Fund

To provide arts activities for young people with specific access needs.

Thrive (Young Manchester)

A grant to fund a schools mental health project.

University Construction Community Fund

To facilitate local families to visit World inside a Book.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2020

23. Analysis of Group Net Assets between Funds

	Restricted Funds £	Unrestricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Tangible fixed assets	204,462	57,153	261,615	196,747
Current assets	138,476	173,367	311,843	195,347
Net assets	342,938	230,520	573,458	392,094

	Restricted Funds £	Unrestricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Tangible fixed assets	107,548	71,932	179,480	196,747
Current assets	151,505	117,331	268,836	195,347
Net assets	259,053	189,263	448,316	392,094

24. Operating Lease Commitments – Group and Charity

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Equipment	£	£
Not later than 1 year	843	658
Later than 1 year and not later than 5 years	3,162	-
	4,005	658

	£	£
Land and Buildings	£	£
Not later than 1 year	45,000	45,000
Later than 1 year and not later than 5 years	-	45,000
	45,000	90,000

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2020

25. Related Parties

The charity has a close working relationship with Manchester City Council: this body nominates directors (see trustees annual report) and provides funding to enable the charity to carry out its charitable objectives. Income totalling £224,420 (2019: £226,504) has been received during the year, this includes £20,000 relating to a restricted grant. Expenditure totalling £23,523 (2019: £46,028) has been incurred with the related party during the year. The balance outstanding at the year-end was £71,167 (2019: £50).

All the above fundraising was received either as core or grant funding. This income has been included in the financial statements under voluntary income and incoming resources from charitable activities. The above expenditure reflects invoiced costs in the year; it has been included in the financial statements under charitable expenditure.

The charity trustees were not paid or reimbursed expenses during the year and no charity trustee received any emolument or payment for professional or other services.

26. Analysis of changes in Net Debt

	At 1 April		At 31 March
	2019	Cashflow	2020
	£	£	£
Cash at bank	78,810	(15,046)	63,764
Short-term deposits	466,906	(88,814)	378,092
Total Funds	<u>545,716</u>	<u>(103,860)</u>	<u>441,856</u>