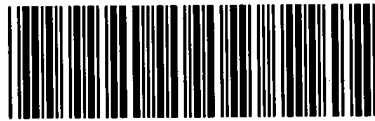


Company Number 12571419
(England and Wales)

Registered Charity
Number 1194711

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COMPANIES HOUSE

ARCADE ARTS LTD

(A company limited by guarantee)

FINANCIAL STATEMENTS

Year ended

31 MARCH 2022

Phoenix Accountancy and Business Consultancy Limited

ARCADE ARTS LTD

Company No: 12571419

Charity No: 1194711

**Contents to the Financial Statements
For the year ended 31 March 2022**

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ARCADE ARTS LTD

Company No: 12571419

Charity No: 1194711

Company Information
For the year ended 31 March 2022

DIRECTORS	Melanie Bonney Thomas Stephenson Lara Taylor Karen Palmer (resigned 15/06/22) Joanne Crowley (appointed 19/03/22) Nadia Emam (appointed 19/03/22)
REGISTERED OFFICE	Bridlington Hub 2a Marshall Avenue Bridlington East Yorkshire YO15 2DS
OPERATIONAL ADDRESS	Woodend Gallery The Crescent Scarborough North Yorkshire YO11 2PW
REGISTERED COMPANY NUMBER	12571419
REGISTERED CHARITY NUMBER	1194711
INDEPENDENT EXAMINER	Sian Broughton ACMA, CGMA, DCHA, MAAT Chartered Management Accountant, Director of Phoenix Accountancy and Business Consultancy Limited Morley's Cottage Morley's Yard Walkergate Beverley HU17 9BY
BANKERS	Starling Bank 5th Floor London Fruit and Wool Exchange 1 Duval Square London E1 6PW Co-operative Bank PO Box 101 1 Balloon Street Manchester M60 4EP

**Independent Examiner's Report to the Members of
Arcade Arts Ltd**

I report on the accounts of Arcade Arts Ltd for the year ended 31 March 2022, which are set out on pages 15 to 31.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.


Basis of independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

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

- accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- the accounts do not accord with such records;
- where accounts are prepared on an accruals basis, whether they fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS102)
- any matter which the examiner believes should be drawn to the attention of the reader to gain a proper understanding of the accounts.


Sian Broughton ACMA, CGMA, DCHA, MAAT
Chartered Management Accountant, Director of
Phoenix Accountancy and Business Consultancy Limited
Morley's Cottage, Morley's Yard, Walkergate
Beverley, East Yorkshire HU17 9BY

DATE: 23 JANUARY 2023

ARCADE ARTS LTD

Company No: 12571419

Charity No: 1194711

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 2022**

The Trustees present their report with the financial statements of the charitable Company for the year ended 31 March 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Reference and Administrative Details of the Charity, its Trustees and Advisers

<u>Name of charity:</u>	Arcade Arts Ltd
<u>Charity Registration Number:</u>	1194711
<u>Company Registration Number:</u>	12571419
<u>Registered Address:</u>	Bridlington Hub 2a Marshall Avenue Bridlington East Yorkshire YO15 2DS
<u>Principal Operating Address:</u>	Woodend Gallery The Crescent Scarborough North Yorkshire YO11 2PW

Directors and Trustees:

The Directors of the charitable Company (the Charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

Names of Trustees (Directors) who served during the year and since the year end were as follows:

Melanie Bonney
Thomas Stephenson
Lara Taylor
Karen Palmer (resigned 15/06/22)
Joanne Crowley (appointed 19/03/22)
Nadia Emam (appointed 19/03/22)
Dr Kelsie Acton (appointed 13/09/22)
Ysabelle Wombwell (appointed 23/09/22)

The Company is limited by guarantee therefore none of the Directors have an interest in share capital.

ARCADE ARTS LTD

Company No: 12571419

Charity No: 1194711

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 2022**

Day to Day Management of the Charity:

Co-Director

Rachel Drew

Co-Director

Sophie Drury-Bradley

Independent Examiner:

Sian Broughton ACMA, CGMA, DCHA, MAAT
Chartered Management Accountant,
Director of:
Phoenix Accountancy and Business
Consultancy Limited
Morley's Cottage
Morley's Yard
Walkergate
Beverley
East Yorkshire
HU17 9BY

Bankers:

Starling Bank
5th Floor
London Fruit and Wool Exchange
1 Duval Square
London
E1 6PW

Co-operative Bank
PO Box 101
1 Balloon Street
Manchester
M60 4EP

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 2022**

Structure, Governance and Management

Governing Document

Arcade Arts Ltd is a registered charity and a company limited by guarantee governed by its Memorandum and Articles of Association adopted on 24 April 2020 and amended on 08 December 2020 and 27 May 2021.

Arcade Arts registered as a charity on 07 June 2021.

Every member of the Charity undertakes to contribute a maximum of £1 in the event of the charity winding up.

Recruitment and appointment of Trustees

The Trustees form the Executive Committee of the charity. The members of the Executive Committee are elected at the Annual General Meeting by the members of the Charity, and serve until the next Annual General Meeting or ballot. At the end of this term, they can stand for re-election. All members are circulated with invitations to nominate Trustees in advance of the AGM. There is a provision for the co-option of additional Trustees if required.

No person who is not a member of the Company shall in any circumstances be eligible to hold office as a member of the Board of Directors.

The Articles of Association states that the number of Trustees must never be less than 3 and, until otherwise determined by a General Meeting, shall not be more than 7.

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 2022**

Trustee Induction and Training

New Trustees undergo induction training, provided by the Co-Directors. The induction includes a discussion about the role and responsibilities of Trustees, the activities, aims and objectives of the Charity, the structure of the organisation, Board of Trustees, general procedures of the organisation. New Trustees are introduced to members of staff and other Trustees, and are provided with the Charity Commissions 'Roles and Responsibilities of Trustees', the Articles and Memorandum of Association, the business plan, the latest statutory financial statements, Annual Report, and financial reports provided to the Board of Trustees. Any additional training required by new Trustees will be identified during induction, and may be requested at any point by Trustees, where it is considered useful to their role as Trustee. Trustees are also invited to attend charity events and activities in order to develop a better all-round understanding of the organisation.

Organisational Structure

The Board of Trustees manages the Charity, and aims to consider only strategic decisions at its meetings. Trustees are aware that any conflicts of interest are declared and minuted. The Board meets quarterly. The Co-Directors are appointed by the Trustees to manage the day-to-day operations of the Charity, and also has authority to delegate as appropriate to other staff members.

Risk Management

The Trustees of the charity regularly review the major governance, operational and financial risks which the charity faces through quarterly trustee meetings and annual business planning process and confirm that systems have been established to mitigate these risks.

ARCADE has a risk management strategy in place which comprises: an annual review of the strategic risks the charity may face via the organisational risk register, the establishment of systems and procedures to mitigate those risks identified, the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The Trustees are satisfied that appropriate financial systems and controls and employment policies and practices are in place. The Trustees consider the key risks facing the charity at this time to be:

1. The financial risks arising if the organisation is unable to attract sufficient funding to realise its planned activity to the scale and quality to which the organisation aspires.
2. The relatively modest scale of the organisation leaves it vulnerable to the temporary absence or permanent loss of key team members.

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 2022**

Risk Management (continued)

3. The ongoing risk of Covid impacting on the organisation's ability to deliver its activity including live performance and in person creative programmes.

The Trustees have managed the potential impact of these risks by ensuring that:

- Income generation and fundraising plans in place in order to develop core funding streams for the organisation, enabling the charity to offer long term employee contracts to staff
- Prudent budgets have been set for the next financial year
- The charity maintains a low-cost base
- Contingency plans are in place for the actions which would be taken if income appears unlikely to reach its target
- Contingency plans to adjust activity delivery format if income appears unlikely to reach its target
- Reserves Policy will be adopted which will always enable the charity to meet all its liabilities even if income targets are not achieved

Objectives and Activities

As set out in the Memorandum of Association, the Charity's objects are:

"To advance the arts for the public benefit by the promotion in particular, but not exclusively, of the art of drama."

Main objectives for the following year:

In developing the main objectives for the following year, the Trustees have given regard to the Charity Commission guidance on public benefit.

The Co-Directors have proposed key aims and projects for the next year, which have been agreed by the Trustees and include:

- **CULTURAL PROGRAMMING SUPPORTING COMMUNITIES:** igniting creativity & agency in children, young people and families, via co-created work with leading artists, supported by education & health partnerships.
- **DEVELOPING ARTS ECOLOGIES:** supporting underrepresented people to start & sustain a creative career, in particular, working class, northern women; leaders of the future. We will lead place-based partnerships in Selby, Bridlington, Scarborough & Hull, empowering communities to shape cultural provision, supporting artists & developing local producers.
- **ORGANISATIONAL DEVELOPMENT:** develop ARCADE as an organisation focused on access, inclusion & diverse voices, enabling delivery of Let's Create in culturally underserved areas.

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 2022**

Objectives and Activities (continued)

- **ORGANISATIONAL DEVELOPMENT:** A period of consolidation to develop the organisation, and a focus on developing working practice and new policies in access, anti-racism and environmental sustainability.

Public Benefit - Who Arcade's work benefits and in what way

25,370 audiences and participants enjoyed ARCADE's work in 2021/22 across both live and digital work, with 146 artists engaged in paid work and 800+ local artists supported through the Scarborough creatives network. We reach 1 million+ people online via social media campaigns, press and blogs promoting our activity.

90% of audiences and 100% of participants live or work in Scarborough and Bridlington which are in the bottom 10% & 6% of deprived areas in England. Both have some of the lowest rates of social mobility in the country & lower than average cultural engagement & literacy levels.

ARCADE's activity focuses on families and children living in deprived wards in Scarborough and Bridlington, young people at risk of offending and/or attending non-mainstream schools e.g., Pupil Referral Units and SEND Schools, and young working-class women and girls.

Achievements and Performance

Review of Activities 2021-22

SUMMARY

2021/22 saw the charity deliver numerous ambitious creative projects with high level artists for social impact, whilst continuing to play a vital role as instigators of innovative and inclusive cultural activity in Scarborough & Bridlington. It was also a year of organisational development, greater levels of fundraising and earned income generation and more forward planning, despite being in the context of a continued pandemic.

CO-CREATION

Scarborough Stories: a flagship programme of co-creation exploring extraordinary people & stories through storytelling, music & performance workshops. The R&D phase was completed successfully with partners Stephen Joseph Theatre and Commonwealth Theatre, with 200 people taking part.

Grue: a Christmas themed installation, made entirely from recycled cardboard, was created in partnership with international artist Steve Wintercroft. 1500 people visited the installation which was created by 300 members of Scarborough's community and was included in the national press.

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 2022**

Achievements and Performance (continued)

Review of Activities 2021-22 (continued)

AMPLIFY VOICES OF NORTHERN WORKING-CLASS WOMEN

Northern Girls: took place in Bridlington, co-produced with Pilot Theatre. 4 young female writers took part in the project and saw their work performed by professionals.

We Are Goddesses: a participatory installation commissioned by Hull Museums for Freedom Festival seen by 20,000 festival audiences. It was made by a group of young women from The Youth Parliament and Kingston Youth Centre in collaboration with writer Maureen Lennon and visual artist Alex Hunt.

INSPIRE CREATIVITY IN CHILDREN & YOUNG PEOPLE

Wardrobes: co-produced with KIT Theatre, Scarborough Museums Trust & North Yorkshire Libraries. 300 children experience an interactive, time-travel adventure show, taking place in Scarborough Art Gallery, libraries and schools over 4 weeks. Children become heroes, solving problems by writing and performing, gaining confidence and skills throughout. 150 family audiences experienced Wardrobes out of school in a summer holiday family adventure supported by Scarborough Children's University and the Inspired Fund at More Than Books community library Eastfield.

Creative Youth Company (Scarborough) pilot: saw national artists work with disadvantaged young people in Scarborough, referred by North Yorkshire Youth Justice Service to create music and performance pieces.

SUPPORTING ARTISTS TO THRIVE

Scarborough Creatives Network: monthly online sessions (inc. talk from Emma Rice) has gone from strength to strength and now includes 800 people in its membership online. In person networking events and talks were attended by 155 people over the year.

10 Producing Surgeries: enabling artists & companies to develop & sustain their practice. ARCADE has supported a number of artists in this way, including Not Forever Yone, a new LGBTQIA+ theatre company based in Scarborough, artists, Jayne Shipley, Allie Watt, Charlotte Oliver and Sarah Dew to name a few.

The charity's Co-Directors have participated in working groups with Scarborough Borough Council, LCEP, Town Centre Team & played an active role in the SBC-commissioned Cultural Strategy Working Group.

DEVELOP ARCADE

The charity has doubled and grown to a team of 4 including 2 trainee producer roles. In addition, a range of experienced freelancers support the work of the charity.

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 2022**

Achievements and Performance (continued)

Review of Activities 2021-22 (continued)

The charity has moved workplaces to a shared office at Woodend Creative which is a fully accessible office space.

A lean business plan and three-year programme plan has been written, in collaboration with partners. A three-year fundraising application to Arts Council England's NPO programme has been submitted which will secure the charity's financial stability over the long term.

We undertook board development recruiting 6 trustees to the charity with specialisms in the access and inclusion, environmental responsibility, governance, arts and creativity and producing.

Financial Review

The out-turn for the year is a deficit of £2,007 (2021: surplus £59,819) this is made up of an unrestricted surplus of £19,663 (2021: 6,259) and a restricted deficit of £21,670 (2021: surplus 53,560).

The Trustees consider the financial performance of the charity to be satisfactory.

Reserves Policy

As a young, project funded charity, it has been challenging to accrue reserves in 2021/22, however we have developed a Reserves Policy approved by the board which sets out that over the next 3 years ARCADE will strive to build reserves of £55,000 representing 3 months of core running costs including salaries and overheads. This will be built from ARCADE's earned income built through our consultancy work, ticket sales, school fees and producing fees.

Treasury policy

The Company's main banking facilities are with Starling Bank and the Co-operative bank

The Company is required to have its funds readily accessible and so will retain its bank account deposits in risk free instant access deposit accounts.

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 2022**

Principal Funding Sources

See note 13 of the notes to the accounts for a detailed explanation of the Company's restricted funds. The main income source to the 'core' unrestricted funds was through grants and charged for services. During the year all expenditure has been concentrated on the key objectives of the charity.

Plans for Future periods

Please see main objectives for the following year.

Audit/Independent Examination

As the income of the Charity is below £1 million, Arcade Arts has opted for a Charity Independent Examination for the year ending 31 March 2022 in line with the Charities Act 2011.

Statement of disclosure of information to Independent Examiner

We, the Directors of the Company who held office at the date of approval of these financial statements, each confirm so far as we are aware, that:

- ⚙ there is no relevant information of which the Company's Independent Examiner is unaware; and
- ⚙ we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant information and to establish that the Company's Independent Examiner is aware of that information.

Statement of Director's responsibilities

The charity Trustees (who are also the directors of Arcade Arts Ltd for the purposes of company law) are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 2022**

Statement of Director's responsibilities (continued)

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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the 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 charity will continue in business.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Examiner

A resolution to appoint Independent Examiner, Sian Broughton ACMA, CGMA, DChA, MAAT of Phoenix Accountancy and Business Consultancy Limited was agreed at a Trustees meeting.

By order of the Board

Melanie Bonney
Trustee/Director



Date: **17.01.23**

**Income and Expenditure Account
For the year ended 31 March 2022**

	Notes	2022 £	2021 £
INCOME	3-5	107,162	68,998
EXPENDITURE	6	(109,169)	(8,884)
SURPLUS/(DEFICIT) FOR THE YEAR BEFORE TAX		(2,007)	60,114
Corporation Tax	9	-	(295)
SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX		(2,007)	59,819
RESERVES BROUGHT FORWARD	13	59,819	-
RESERVES CARRIED FORWARD	13	57,812	59,819

Total income of £107,162 (2021: £68,998) comprises £35,439 (2021: £7,683) for unrestricted funds and £71,723 (2021: £61,135) for restricted funds. A detailed analysis of income by source is provided in the statement of financial activities.

The deficit for the year of £2,007 (2021: £59,819) comprises a surplus of £19,663 (2021: £6,259) for unrestricted funds and a deficit of £21,670 (2020: surplus £53,560) for restricted funds as shown in the statement of financial activities.

There are no recognised gains and losses other than those passing through the income and expenditure account. All operations are continuing operations.

The notes on pages 20 to 31 form part of these financial statements.

ARCADE ARTS LTD

Company No: 12571419
Charity No: 1194711

**Statement of Financial Activities
For the year ended 31 March 2022**

		2022 Unrestricted Funds	2022 Restricted Funds	2022 Total Funds	2021 Unrestricted Funds	2021 Restricted Funds	2021 Total Funds
Notes							
Income							
Grants, donations and Legacies	3	9,197	69,973	79,170	6,250	61,135	67,385
Income from Charitable Activities	4	26,180	1,750	27,930	1,613	-	1,613
Other Trading Activities	5	62	-	62	-	-	-
Total Income		35,439	71,723	107,162	7,863	61,135	68,998
Expenditure							
Expenditure on Charitable Activities	6	15,776	93,343	109,119	1,484	7,400	8,884
Expenditure on Raising Funds		-	50	50	-	-	-
Total Expenditure		15,776	93,393	109,169	1,484	7,400	8,884
Net Income/ (Expenditure) before Transfers		19,663	(21,670)	(2,007)	6,379	53,735	60,114
Transfers between Funds	13	-	-	-	175	(175)	-
Net Income/ (Expenditure) before taxation		19,663	(21,670)	(2,007)	6,554	53,560	60,114
Corporation Tax		-	-	-	(295)	-	(295)
Net Movement in Funds		19,663	(21,670)	(2,007)	6,259	53,560	59,819
Funds brought forward at 01 April	13	6,259	53,560	59,819	-	-	-
Total Funds Carried forward at 31 March	13	25,922	31,890	57,812	6,259	53,560	59,819

The notes on pages 20 to 31 form part of these financial statements.

ARCADE ARTS LTD

Company No: 12571419
Charity No: 1194711

**Balance Sheet
As at 31 March 2022**

	Note	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total Funds £
Fixed assets							
Tangible assets	10	245	160	405	-	-	-
Total Fixed Assets		245	160	405	-	-	-
Current assets							
Debtors	11	1,866	527	2,393	122	-	122
Cash at bank and in hand		25,534	32,023	57,557	7,302	53,560	60,862
Total current assets		27,400	32,550	59,950	7,424	53,560	60,984
Creditors: amounts falling due within one year	12	(1,723)	(820)	(2,543)	(1,165)	-	(1,165)
Net current assets/(liabilities)		25,677	31,730	57,407	6,259	53,560	59,819
Total assets less current liabilities		25,922	31,890	57,812	6,259	53,560	59,819
Creditors: amounts falling due after one year		-	-	-	-	-	-
		25,922	31,890	57,812	6,259	53,560	59,819
Funds of the Charity							
Unrestricted funds:							
General Unrestricted Funds		25,922	-	25,922	6,259	-	6,259
Restricted Funds	13	-	31,890	31,890	-	53,560	53,560
Total funds	13	25,922	31,890	57,812	6,259	53,560	59,819

ARCADE ARTS LTD

Company No: 12571419
Charity No: 1194711

Balance Sheet
As at 31 March 2022 (continued)

- 1) For the year ended 31 March 2022 the company was entitled to exemption under section 477 (2) of the Companies Act 2006.
- 2) Members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006;
- 3) The directors acknowledge their responsibility for:
 - i) ensuring the company keeps accounting records which comply with section 386; and
 - ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 393, and which otherwise comply with the requirements of the companies Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The financial statements were approved by the Board on 17.1.23. (date) and signed on its behalf by:



Melanie Bonney, Trustee/Director

The notes on pages 20 to 31 form part of these financial statements.

Statement of Cash Flows
For the year ending 31 March 2022

	Notes	2022 £	2021 £
Net Movement in Funds		(2,007)	59,819
Add back depreciation charge	10	188	-
Decrease/(increase) in debtors	11	(2,271)	(122)
Increase/(decrease) in creditors	12	1,378	1,165
Net cash used in operating activities		(2,712)	60,862
Cash flows from investing activities			
Purchase of tangible fixed assets	10	(593)	-
Cash provided by (used in) investing activities		(593)	-
Cash flows from financing activities			
Repayment of borrowing		-	-
Cash used in financing activities		-	-
Increase/(decrease) in cash and cash equivalents		(3,305)	60,862
cash and cash equivalents at the beginning of the year		60,862	-
Total cash and cash equivalents at the end of the year		57,557	60,862

The notes on pages 20 to 31 form part of these financial statements.

**Notes to the financial statements
for the period ended 31 March 2022**

1. Accounting policies

1.1. Accounting convention

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 (FRS102) (effective 1st January 2019) – (Charities SORP (FRS102)), the financial reporting standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Arcade Arts Ltd 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).

1.2. Company status

The Charity is a company limited by guarantee. The members of the Company are the Directors named on page 3.

The Company is actively engaging in the recruitment of its membership.

1.3. Going Concern

The Trustees consider the Charity to be a going concern. The accounts have been prepared on this basis.

1.4. Incoming resources

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

Services provided, investment income and rents are accounted for on the accrual's basis. Other income is accounted for when received. All income is shown gross with associated costs included in expenditure.

Grants received to fund the purchase of fixed assets are credited to the Statement of Financial Activities when the Company is legally entitled to the income. The related expenditure is charged to Fixed Assets in the Balance Sheet.

**Notes to the financial statements
for the period ended 31 March 2022****1. Accounting policies (continued)****1.4. Incoming resources (continued)**

Grants received of a revenue nature are accounted for when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

1.5. Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. Restricted funds are accounted for separately to each other and to the core funding of the Company.

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

1.6. Expenditure and irrecoverable VAT

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

- Expenditure on charitable activities includes the costs of all activities undertaken to further the purposes of the charity and their associated support costs.

The Charity is not VAT registered and irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.7. Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the Charities activities.

All activities undertaken by the Charity are in furtherance of the Charitable objects therefore all support costs have been allocated to charitable activities. A full breakdown of all costs related to Charitable Activities has been provided in Note 5.

1.8. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life (except as detailed below) as follows:

Office Equipment	33% on the straight-line basis
Furniture and Fixtures	25% on the straight-line basis

**Notes to the financial statements
for the period ended 31 March 2022**

1.9. Debtors

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

1.10. Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. Income and Expenditure Account

The Company is a registered charity and so achievements cannot be measured by normal commercial criteria. Accordingly, the Directors consider that it would be inappropriate to present a Profit and Loss Account in one of the formats set out by the Companies Act 2006. Therefore, as permitted by the Companies Act, in order to reflect the special nature of the Company's activities, the Directors are of the opinion that it would be more appropriate to present an Income and Expenditure Account.

ARCADE ARTS LTD

Company No: 12571419
Charity No: 1194711

**Notes to the Financial Statements
For the year ended 31 March 2022**

3. Grants, donations and similar incoming resources

	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total Funds £
Grants						
Arts Council	-	54,517	54,517	-	27,900	27,900
Bursary	400	-	400	-	-	-
CAVCA	-	-	-	-	300	300
Children's University	3,305	-	3,305	-	-	-
Employers NI Rebate	397	-	397	-	-	-
Hull Museums	-	4,950	4,950	-	-	-
Internship	1,000	-	1,000	-	-	-
IVE	-	-	-	-	3,000	3,000
KIT Theatre	-	1,406	1,406	-	6,500	6,500
Magic Little Grants	-	500	500	-	-	-
North Yorkshire Council	-	3,100	3,100	-	3,500	3,500
North Yorkshire Libraries	-	-	-	-	2,500	2,500
Scarborough Borough Council	3,658	-	3,658	1,250	-	1,250
Scarborough Theatre Trust	-	-	-	5,000	-	5,000
Two Ridings Community Foundation	-	5,500	5,500	-	-	-
Yorkshire Coast Bid	-	-	-	-	17,435	17,435
Total Grants	8,760	69,973	78,733	6,250	61,135	67,385
Donations	437	-	437	-	-	-
Total Grants and Donations	9,197	69,973	79,170	6,250	61,135	67,385

ARCADE ARTS LTD

Company No: 12571419
Charity No: 1194711

**Notes to the Financial Statements
For the year ended 31 March 2022**

4. Income from Charitable Activities

	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total Funds £
Consultancy Fees	12,128	-	12,128	1,613	-	1,613
Contributions	-	1,500	1,500	-	-	-
Photography	100	-	100	-	-	-
Printing Income	50	-	50	-	-	-
Production Fees	10,075	-	10,075	-	-	-
Ticket Sales	2,346	-	2,346	-	-	-
Training Income	1,400	250	1,650	-	-	-
Miscellaneous	81	-	81	-	-	-
	26,180	1,750	27,930	1,613	-	1,613

5. Other Trading Activities

	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total Funds £
Café Sales	62	-	62	-	-	-
	62	-	62	-	-	-

ARCADE ARTS LTD

Company No: 12571419
Charity No: 1194711

**Notes to the Financial Statements
For the year ended 31 March 2022**

6. Expenditure on Charitable Activities

	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total Funds £
Staffing Costs	9,598	81,603	91,201	-	800	800
Project Costs	2,777	2,064	4,841	-	6,600	6,600
Accessibility and inclusion	60	370	430	-	-	-
Accountancy	-	720	720	600	-	600
Administrative Expense	297	72	369	-	-	-
Advertising and Promotion	2,025	4,657	6,682	-	-	-
Bank Charges	3	-	3	-	-	-
Depreciation	108	80	188	-	-	-
Documentation and Evaluation	100	1,240	1,340	-	-	-
Equipment (not capitalised)	-	588	588	-	-	-
Insurances	-	377	377	-	-	-
Professional Fees	468	1,078	1,546	200	-	200
Rent and Room Hire	45	253	298	-	-	-
Repairs and Renewals	34	-	34	-	-	-
Research	30	30	60	-	-	-
Telephone and ICT	231	105	336	684	-	684
General/Sundry	-	106	106	-	-	-
	15,776	93,343	109,119	1,484	7,400	8,884

ARCADE ARTS LTD

Company No: 12571419

Charity No: 1194711

**Notes to the Financial Statements
for the year ended 31 March 2022**

7. Staff costs

	Total 2022 £	Total 2021 £
Wages and salaries	49,518	-
Employers NI	398	-
Employers Pension Contributions	1,167	-
Payroll Fees	148	-
Directors Emoluments	-	800
Travel and Subsistence	7,061	-
Training	1,131	-
Artists Fees	31,497	-
Other Staff Costs	281	-
	91,201	800

Average number of paid staff

	Total 2022 £	Total 2021 £
Headcount	4	-
	4	-

There are no higher paid staff.

8. Operating surplus

The operating surplus is arrived at after charging:

	Total 2022 £	Total 2021 £
Depreciation – Owned Assets	188	-
Directors Emoluments	-	800
Accountants Remuneration	720	600
	908	1,400

Notes to the Financial Statements for the year ended 31 March 2022

9. Taxation

As a charity the Company is exempt from Corporation Tax. In the prior year Arcade Arts, was not a registered charity and incurred Corporation Tax liabilities of £295.

10. Tangible Fixed Assets

	Office Equipment £	Furniture & Fixtures £	Total £
Cost			
At 01 Apr 2021	-	-	-
Additions	473	120	593
Disposals	-	-	-
At 31 Mar 2022	<u>473</u>	<u>120</u>	<u>593</u>
Depreciation			
At 01 April 2021	-	-	-
Charge for the year	158	30	188
On Disposals	-	-	-
At 31 Mar 2022	<u>158</u>	<u>30</u>	<u>188</u>
Net Book Value			
At 31 Mar 2022	<u>315</u>	<u>90</u>	<u>405</u>
At 31 Mar 2021	<u>-</u>	<u>-</u>	<u>-</u>

11. Debtors

	Total 2022 £	Total 2021 £
Trade Debtors	1,866	-
Prepayments and Accrued Income	527	122
	<u>2,393</u>	<u>122</u>

Notes to the Financial Statements for the year ended 31 March 2022

12. Creditors

a) Creditors: Amounts falling due within one year

	Total 2022 £	Total 2021 £
Trade Creditors	-	-
Payroll Taxes	1,196	-
Corporation Tax	295	295
Pension	32	-
Loans	200	200
Accruals	820	670
Deferred Income*	-	-
	2,543	1,165

*In the Prior year accounts submitted to Companies House £58,560 grant income was deferred. However, due to Arcade Arts becoming a charity – the accounts for the prior year have been restated in compliance with the Charities SORP and FRS102.

13. Accumulated funds

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Balance at 01 April	6,259	53,560	59,819	-
Movement in funds for the year	19,663	(21,670)	(2,007)	59,819
Balance at 31 March	25,922	31,890	57,812	59,819

Analysis of net assets between funds

	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Fixed Assets	245	160	405	-
Current Assets	27,400	32,550	59,950	60,984
Current Liabilities	(1,723)	(820)	(2,543)	(1,165)
Non-Current Liabilities	-	-	-	-
	25,922	31,890	57,812	59,819

**Notes to the Financial Statements
for the period ended 31 March 2022**

13. Accumulated Funds (Continued)

Restricted funds

	Balance at 01/04/21 £	Movement in Resources			Balance at 31/03/22 £
		Incoming £	Outgoing £	Transfers* £	
Arts Council England	-	54,517	45,453	-	9,064
Wardrobes	36,025	6,256	37,881	-	4,400
Scarborough Stories	17,535	-	6,880	-	10,655
Young Women's Creative Company	-	5,450	-	-	5,450
Beatbox	-	5,500	3,179	-	2,321
Restricted Funds	53,560	71,723	93,393	-	31,890

A brief description of the Restricted Funds is given below:

Restricted Funds

Arts Council England provided restricted funding to support ARCADE's staffing costs and core cultural community programme costs.

Wardrobes, a creative project which supports learning in schools and the creative curriculum, led by artistic partners KIT theatre. Restricted funding was provided from North Yorkshire Council, North Yorkshire Libraries and KIT Theatre.

Scarborough Stories, a community storytelling project which enabled our community to tell their true stories about life in Scarborough, culminating in three public performances on the High Street. Restricted funding was provided from the Yorkshire Coast BID and Coast and Vale Community Action (CAVCA).

Young Women's Creative Company, a weekly, term time, creative group supporting the confidence and creativity of Bridlington young women and girls, with performance opportunities. Restricted funding was provided by Hull Museums and Magic Little Grants.

Beatbox, a pilot project led by acclaimed beatboxer Conrad Murry at Scarborough Pupil Referral Unit culminating in a short film featuring the young people's performances. Restricted funding was provided by Two Ridings Community Foundation.

**Notes to the Financial Statements
for the period ended 31 March 2022**

14. Directors' remuneration

No remuneration directly or indirectly out of the funds of the Company was paid or payable for the year to any Director (2021: £800 paid to Directors).

There was no reimbursement of travel expenses made to Directors in respect of the year.

All travel expenses paid to employees, volunteers and Directors are in line with approved mileage rates set by HMRC.

14. Related Party Transactions

There were no related party transactions.

15. Other recognised gains and losses

There were no other recognised gains or losses.

16. Members

The liability of the members is limited.

Every member of the Company undertakes to contribute such amount as may be required, not exceeding £1, to the Company's assets if it should be wound up while he or she is a member, or within one year after he or she ceases to be a member for payment of the Company's debts and liabilities contracted before he or she ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves.

If the Company is wound up or dissolved and after all its debts and liabilities have been satisfied there remains any property, it shall not be paid to or distributed among the members of the Company but shall be given or transferred to some other charity or charities having objects similar to the objects of the Company.

**Notes to the Financial Statements
for the period ended 31 March 2022**

17. Going Concern

The Trustees consider the Company to be a going concern for a period of at least 12 months beyond the date of the Independent Examiners report.

We have confirmed funding for 3 years (April 2023 - Mar 2026) from Arts Council England, under their National Portfolio Organisation funding stream, we will receive £180,000 per year for 3 years. We also have numerous partnerships in place over this same period with partners including Selby District Council, KIT Theatre, Collaborative Touring Network, Hull Museums and Scarborough Museums and Galleries.