

Company Number 12571419
(England and Wales)

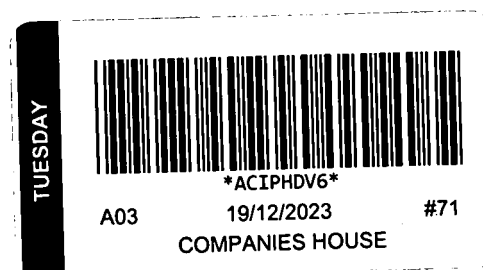
Registered Charity
Number 1194711

ARCADE ARTS LTD
(A company limited by guarantee)

FINANCIAL STATEMENTS

Year ended

31 MARCH 2023



Phoenix Accountancy and Business Consultancy Limited

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For the year ended 31 March 2023**

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Company Information
For the year ended 31 March 2023

DIRECTORS	M Bonney (Resigned 23/03/23) T Stephenson L Taylor Dr K Acton (Appointed 13/09/22) J Crowley N Emam (Resigned 23/03/23) Y Wombwell (Appointed 23/09/22) K Palmer (Resigned 15/06/22)
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	Rebecca Triffitt, MAAT Practice Accountant Phoenix Accountancy and Business Consultancy Limited Morley's Cottage Morley's Yard Walkergate Beverley HU17 9BY
BANKERS	Virgin Money 154-158 Kensington High Street London W8 7RL

**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 2023, which are set out on pages 16 to 32.

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

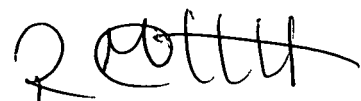
My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures 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.

Rebecca Triffitt, MAAT
Phoenix Accountancy and Business Consultancy Limited
Morley's Cottage, Morley's Yard, Walkergate
Beverley, East Yorkshire HU17 9BY



DATE: 15/12/23

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 2023**

The Trustees present their report with the financial statements of the charitable Company for the year ended 31 March 2023.

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 are shown on page 3.

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 shown on page 3.

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

Day to Day Management of the Charity:

Co-Director

Co-Director

Rachel Drew

Sophie Drury-Bradley

Report of the Board of Trustees (incorporating the Director's Report) For the year ended 31 March 2023

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.

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.

Report of the Board of Trustees (incorporating the Director's Report) For the year ended 31 March 2023

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, (Rach Drew & Sophie Drury-Bradley) 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.

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

- Income generation and fundraising plans in place 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 .0
- 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.

Report of the Board of Trustees (incorporating the Director's Report) For the year ended 31 March 2023

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.
- **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

The trustees have reviewed the current activities of the charitable company and confirmed that they are in line with its objectives. All the activities of the organisation carried out during the period are in pursuance of the company's aims and objectives. The trustees also confirm that the organisation's aims and objectives fall within the "descriptions of purposes" in the Charities Act 2011 and are recognised as charitable and are carried out for public benefit.

218,488 audiences and participants enjoyed ARCADE's work in 2022/23 across both live and digital work, with 77 artists engaged in paid work and 1600+ local artists supported through the Scarborough creative's network. We reached 1 million+ people online via social media campaigns, press and blogs promoting our activity.

Report of the Board of Trustees (incorporating the Director's Report) For the year ended 31 March 2023

Public Benefit (continued)

Many audiences and participants live in wards which are the bottom 10% & 6% of deprived areas in England. Areas we serve have the lowest rates of social mobility in the country & lower than average cultural engagement & literacy levels, along with feeling the other impacts of deprivation, such as high teenage pregnancy, offending and reoffending rates.

ARCADE's activity focuses on families and children, 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.

The trustees are not remunerated. Any connection between a trustee or senior manager of the charity with business partners, sponsors or suppliers is disclosed to the full board of trustees in the same way as any other contractual relationship with a related party.

Achievements and Performance

Review of Activities 2022-23

SUMMARY

We began our tenure as an ACE National Portfolio Organisation in April 2023, which includes three-year revenue funding.

- Following our successful NPO bid we held a team Away Day including the trustees to discuss the IP Core Characteristics and embed them within the team.
- Trustee recruitment – the board are in the process of undertaking a skills audit to identify areas where they could be strengthened allowing a more targeted approach to trustee recruitment to be implemented with diversity and inclusivity prioritised as key to a balanced board.
- Developing the infrastructure to become more environmentally robust and to conduct a carbon audit and implement its findings.

CO-CREATION

Love Stories: a flagship programme of co-creation exploring extraordinary people & stories through storytelling workshops. Stories were then turned into an orchestral score, played by Sinfonia Viva and the Scarborough Spa Orchestra and included in an audio trail around South Cliff Gardens. This has been heard over 1000 times to date and is still running at the time of writing.

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 2023****Achievements and Performance (continued)**

Grue: a Christmas themed installation, made entirely from recycled cardboard, was created in partnership with international artist Steve Wintercroft. 1,500 people visited the installation which was created by 400 members of Scarborough's community and was included on BBC Radio and in the Yorkshire Post.

AMPLIFY VOICES OF NORTHERN WORKING-CLASS WOMEN

Our Young Women's Creative Collective worked with professional artists to create performance pieces and wrote and performed their own work. They also worked with a visual artist to create works on shop fronts in Bridlington, seen by over 100,000 people.

We have an Assistant and Trainee Producer who were recruited from our youth groups, and we see their successful development as key to ARCADE's aims. Our previous Trainee has gone to university to study Drama.

INSPIRE CREATIVITY IN CHILDREN & YOUNG PEOPLE

Spoken Word Power saw 10 schools taking part in poetry workshops, followed by a slam in their school and a regional slam at the Stephen Joseph Theatre. Children's work was then published in an anthology.

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. We worked with the North Yorkshire Moors and Parks to inspire young people about the plight of the Turtle Dove, and they created film and music videos while being outside and close to nature.

SUPPORTING ARTISTS TO THRIVE

Scarborough Creatives Network: monthly online sessions (including talk from Emma Rice) have gone from strength to strength and now includes 1500 people in its membership online. In person networking events were attended by circa 80 people over the year.

We have launched Tadcaster Creatives and Bridlington Creatives, which have 100 and 400 members respectively. They are both going from strength to strength and gain members and engagement consistently.

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

Report of the Board of Trustees (incorporating the Director's Report) For the year ended 31 March 2023

Achievements and Performance (continued)

The charity's Co-Directors have participated in working groups with North Yorkshire Local Cultural Education Partnership, of which Rach is Co-Chair. We are also on the East Riding LCEP and the Coastal LCEP.

DEVELOP ARCADE

The charity has doubled and grown to an all-female team of 6 including 1 Trainee producer and 1 Assistant, who was previously a Trainee. In addition, a range of experienced freelancers support the work of the charity.

The charity has its own office at Woodend Creative, which is fully accessible.

A lean business plan and three-year programme plan has been written, in collaboration with partners. We have created a Theory of Change for the organisation and an evaluation framework.

EMPLOYEES

There is an understanding of the importance our employees play in the longer-term success of the charity.

The Away Day held in May enabled our employees to be involved in business plan implementation and creative planning, empowering our employees to develop and implement ideas which contribute to the success of the company.

ENVIRONMENTAL

As a publicly funded organisation, the team understand they have a moral and social responsibility to our employees and audiences to be environmentally conscious of all our outputs.

Our ambitions are to reduce the company's carbon footprint by undertaking a carbon audit to plan our actions. We already operate a paperless financial system but need to build on further environmentally sustainable activities. This will then aid in setting realistic targets to be agreed and implemented over the short, medium, and long term and will be included as regular reporting to the board.

Financial Review

The out-turn for the year is a deficit of £20,897 (2022: deficit £2,007) this is made up of an unrestricted deficit of £2,510 (2022: 19,663) and a restricted deficit of £18,387 (2022: deficit 21,670). Whilst there is an in-year deficit, the charity has brought forward reserves and the financial forecast includes building on the reserves to achieve the reserves policy within three years.

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

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 20223****Achievements and Performance (continued)**Reserves Policy

The reserves policy is to hold 3 months of core running costs including salaries and overheads, built from earned income through our consultancy work, ticket sales, school fees and producing fees. The Board of Trustees review this policy annually and we aim to build reserves of £55,000.

Treasury policy

The Company's main banking facilities are with Virgin money 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.

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 2023 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.

**Report of the Board of Trustees (incorporating the Director's Report)
For the year ended 31 March 20223****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).

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, Rebecca Triffitt, MAAT of Phoenix Accountancy and Business Consultancy Limited was agreed at a Trustees meeting.

By order of the Board



J Crowley
Trustee/Director

Date: 12th December 2023

**Income and Expenditure Account
For the year ended 31 March 2023**

	Notes	2023	2022
		£	£
INCOME	3-5	216,579	107,162
EXPENDITURE	6	(237,476)	(109,169)
SURPLUS/(DEFICIT) FOR THE YEAR BEFORE TAX		(20,897)	(2,007)
Corporation Tax	9	-	-
SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX		(20,897)	(2,007)
RESERVES BROUGHT FORWARD	13	57,812	59,819
RESERVES CARRIED FORWARD	13	36,915	57,812

Total income of £216,579 (2022: £107,162) comprises £53,165 (2022: £35,439) for unrestricted funds and £163,414 (2022: £71,723) for restricted funds. A detailed analysis of income by source is provided in the statement of financial activities.

The deficit for the year of £20,897 (2022: £2,007) comprises a deficit of £2,510 (2022: £19,663) for unrestricted funds and a deficit of £18,387 (2022: surplus £21,670) 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 21 to 32 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 2023**

		2023 Unrestricted Funds	2023 Restricted Funds	2023 Total Funds	2022 Unrestricted Funds	2022 Restricted Funds	2022 Total Funds
	Notes						
Income							
Grants, donations and Legacies	3	1,410	129,575	130,985	9,197	69,973	79,170
Income from Charitable Activities	4	52,309	30,939	83,248	26,180	1,750	27,930
Other Trading Activities	5	762	800	1,562	62	-	62
Investment Income		784	-	784	-	-	-
Total Income		55,265	161,314	216,579	35,439	71,723	107,162
Expenditure							
Expenditure on Charitable Activities	6	55,297	174,429	229,726	15,776	93,343	109,119
Expenditure on Raising Funds		250	7,500	7,750	-	50	50
Total Expenditure		55,547	181,929	237,476	15,776	93,393	109,169
Net Income/ (Expenditure) before Transfers		(282)	(20,615)	(20,897)	19,663	(21,670)	(2,007)
Transfers between Funds	13	(2,228)	2,228	-	-	-	-
Net Income/ (Expenditure) before taxation		(2,510)	(18,387)	(20,897)	19,663	(21,670)	(2,007)
Corporation Tax		-	-	-	-	-	-
Net Movement in Funds		(2,510)	(18,387)	(20,897)	19,663	(21,670)	(2,007)
Funds brought forward at 01 April	13	25,922	31,890	57,812	6,259	53,560	59,819
Total Funds Carried forward at 31 March	13	23,412	13,503	36,915	25,922	31,890	57,812

The notes on pages 21 to 32 form part of these financial statements.

ARCADE ARTS LTD

Company No: 12571419
Charity No: 1194711

Balance Sheet
As at 31 March 2023

	Note	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total Funds £	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £
Fixed assets							
Tangible assets	10	1,449	138	1,587	245	160	405
Total Fixed Assets		1,449	138	1,587	245	160	405
Current assets							
Debtors	11	8,685	52,267	60,952	1,866	527	2,393
Cash at bank and in hand		36,278	(5,332)	30,946	25,534	32,023	57,557
Total current assets		44,963	46,935	91,898	27,400	32,550	59,950
Creditors: amounts falling due within one year	12	(23,000)	(33,570)	(56,570)	(1,723)	(820)	(2,543)
Net current assets/(liabilities)		21,963	13,365	35,328	25,677	31,730	57,407
Total assets less current liabilities		23,412	13,503	36,915	25,922	31,890	57,812
Creditors: amounts falling due after one year		-	-	-	-	-	-
		23,412	13,503	36,915	25,922	31,890	57,812
Funds of the Charity							
Unrestricted funds:							
General Unrestricted Funds		23,412	-	23,412	25,922	-	25,922
Restricted Funds	13	-	13,503	13,503	-	31,890	31,890
Total funds	13	23,412	13,503	36,915	25,922	31,890	57,812

ARCADE ARTS LTD

Company No: 12571419
Charity No: 1194711

Balance Sheet
As at 31 March 2023 (continued)

- 1) For the year ended 31 March 2023 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 12th December 2023 and signed on its behalf by:



J Crowley, Trustee/Director

The notes on pages 19 to 30 form part of these financial statements.

Statement of Cash Flows
For the year ending 31 March 2023

	Notes	2023 £	2022 £
Net Movement in Funds		(20,897)	(2,007)
Add back depreciation charge	10	533	188
Decrease/(increase) in debtors	11	(58,559)	(2,271)
Increase/(decrease) in creditors	12	54,027	1,378
Net cash used in operating activities		(24,896)	(2,712)
Cash flows from investing activities			
Interest Income		-	-
Profit on disposal of asset		155	-
Purchase of tangible fixed assets	10	(1,870)	(593)
Cash provided by (used in) investing activities		(1,715)	(593)
Cash flows from financing activities			
Repayment of borrowing		-	-
Cash used in financing activities		-	-
Increase/(decrease) in cash and cash equivalents		(26,611)	(3,305)
cash and cash equivalents at the beginning of the year		57,557	60,862
Total cash and cash equivalents at the end of the year		30,946	57,557

The notes on pages 19 to 30 form part of these financial statements.

**Notes to the financial statements
for the period ended 31 March 2023****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 accruals 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.

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.

**Notes to the financial statements
for the period ended 31 March 2023****1. Accounting policies (continued)****1.4. 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.

1.5. 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.

1.6. 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.

1.7. 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 2023****1.8. 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.

1.9. 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.

1.10. 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 2023**

3. Grants, donations and similar incoming resources

	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total Funds £	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £
Grants						
Arts Council	-	105,591	105,591	-	54,517	54,517
Bursary	-	-	-	400	-	400
Arnold Clark Community Fund	1,000	-	1,000	-	-	-
Children's University	-	-	-	3,305	-	3,305
Employers NI Rebate	-	-	-	397	-	397
Hull Museums	-	-	-	-	4,950	4,950
Internship	-	-	-	1,000	-	1,000
Collaborative Tiring Network	-	12,250	12,250	-	-	-
KIT Theatre	-	-	-	-	1,406	1,406
Magic Little Grants	-	-	-	-	500	500
North Yorkshire Council	-	-	-	-	3,100	3,100
Do it for East Riding	-	5,000	5,000	-	-	-
East Riding PAG	-	-	-	-	-	-
Scarborough Borough Council	-	-	-	3,658	-	3,658
Hull Museums	-	2,158	2,158	-	-	-
Two Ridings Community Foundation	-	-	-	-	5,500	5,500
Magic Little Grants	-	500	500	-	-	-
NHS Wellbeing	-	1,615	1,615	-	-	-
Positive Activities	-	1,000	1,000	-	-	-
Total Grants	1,000	128,114	129,114	8,760	69,973	78,733
Donations	410	1,461	1,871	437	-	437
Total Grants and Donations	1,410	129,575	130,985	9,197	69,973	79,170

Notes to the Financial Statements
For the year ended 31 March 2023

4. Income from Charitable Activities

	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total Funds £	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £
Consultancy Fees	15,400	-	15,400	12,128	-	12,128
Contributions	-	-	-	-	1,500	1,500
Photography	-	300	300	100	-	100
Printing Income	-	-	-	50	-	50
Production Fees	25,654	10,600	36,254	10,075	-	10,075
Ticket Sales	3,641	802	4,443	2,346	-	2,346
Training Income	-	-	-	1,400	250	1,650
Services	7,014	19,237	26,251	-	-	-
Miscellaneous	600	-	600	81	-	81
	52,309	30,939	83,248	26,180	1,750	27,930

5. Other Trading Activities

	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total Funds £	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £
Café Sales	412	-	412	62	-	62
Other	350	800	1,150	-	-	-
	762	800	1,562	62	-	62

Notes to the Financial Statements
For the year ended 31 March 2023

6. Expenditure on Charitable Activities

	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total Funds £	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £
Staffing Costs	34,768	143,083	177,851	9,598	81,603	91,201
Project Costs	9,840	5,208	15,048	2,777	2,064	4,841
Accessibility and inclusion	535	4,505	5,040	60	370	430
Accountancy	-	1,700	1,700	-	720	720
Administrative Expense	1,028	378	1,406	297	72	369
Advertising and Promotion	4,686	9,818	14,504	2,025	4,657	6,682
Bank Charges	-	-	-	3	-	3
Depreciation	423	110	533	108	80	188
Documentation and Evaluation	100	2,095	2,195	100	1,240	1,340
Equipment (not capitalised)	939	997	1,936	-	588	588
Insurances	-	803	803	-	377	377
Professional Fees	970	2,834	3,804	468	1,078	1,546
Rent and Room Hire	759	1,822	2,581	45	253	298
Repairs and Renewals	102	74	176	34	-	34
Research	689	559	1,248	30	30	60
Telephone and ICT	-	-	-	231	105	336
Subscriptions	200	180	380	-	-	-
Refreshments	207	263	470	-	-	-
General/Sundry	51	-	51	-	106	106
	55,297	174,429	229,726	15,776	93,343	109,119

Notes to the Financial Statements for the year ended 31 March 2023

7. Staff costs

	Total 2023 £	Total 2022 £
Wages and salaries	106,235	49,518
Employers NI	4,446	398
Employers Pension Contributions	3,110	1,167
Payroll & Pension Fees	716	148
Directors Emoluments	-	-
Travel and Subsistence	7,397	7,061
Training	1,179	1,131
Artists Fees	50,554	31,497
Subcontract Fees	3,900	-
Other Staff Costs	314	281
	177,851	91,201

Average number of paid staff

	Total 2023 £	Total 2022 £
Headcount	6	4
	6	4

There are no higher paid staff.

8. Operating surplus

The operating surplus is arrived at after charging:

	Total 2023 £	Total 2022 £
Depreciation – Owned Assets	533	188
Directors Emoluments	-	-
Accountants Remuneration	720	720
	1,253	908

Notes to the Financial Statements for the year ended 31 March 2023

9. Taxation

As a charity the Company is exempt from Corporation Tax. In prior years 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 2022	473	120	593
Additions	1,870	-	1,870
Disposals	(233)	-	(233)
At 31 Mar 2023	<u>2,110</u>	<u>120</u>	<u>2,230</u>
Depreciation			
At 01 April 2022	158	30	188
Charge for the year	503	30	533
On Disposals	(78)	-	(78)
At 31 Mar 2023	<u>583</u>	<u>60</u>	<u>643</u>
Net Book Value			
At 31 Mar 2023	<u>1,527</u>	<u>60</u>	<u>1,587</u>
At 31 Mar 2022	<u>315</u>	<u>90</u>	<u>405</u>

11. Debtors

	Total 2023 £	Total 2022 £
Trade Debtors	8,188	1,866
Prepayments and Accrued Income	52,764	527
	<u>60,952</u>	<u>2,393</u>

Notes to the Financial Statements for the year ended 31 March 2023

12. Creditors

a) Creditors: Amounts falling due within one year

	Total 2023 £	Total 2022 £
Trade Creditors	1,165	-
Payroll Taxes	2,840	1,196
Corporation Tax	295	295
Pension	548	32
Loans	200	200
Accruals	13,141	820
Deferred Income	38,381	-
	56,570	2,543

13. Accumulated funds

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Balance at 01 April	25,922	31,890	57,812	25,922
Movement in funds for the year	(2,510)	(18,387)	(20,897)	31,890
Balance at 31 March	23,412	13,503	36,915	57,812

Analysis of net assets between funds

	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total Funds £	2022 Total Funds £
Fixed Assets	1,449	138	1,587	405
Current Assets	44,963	46,935	91,898	59,950
Current Liabilities	(23,000)	(33,570)	(56,570)	(2,543)
Non-Current Liabilities	-	-	-	-
	23,412	13,503	36,915	57,812

Notes to the Financial Statements for the period ended 31 March 2023

13. Accumulated Funds (Continued)

Restricted funds

	Balance at 01/04/2022 £	Movement in Resources			Balance at 31/03/2023 £
		Incoming £	Outgoing £	Transfers £	
Arts Council England	9,064	119,248	(128,312)	-	-
Wardrobes	4,400	4,151	(8,551)	-	-
Scarborough Stories	10,655	11,540	(14,857)	-	7,338
Young Women's Creative Company	5,450	12,734	(12,019)	-	6,165
Beatbox	2,321	-	(2,321)	-	-
Collaborative Touring Network	-	13,641	(15,869)	2,228	-
Restricted Funds	31,890	161,314	(181,929)	2,228	13,503

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, Magic Little Grants & Do it for East Yorkshire.

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 2023**

Restricted Funds - Continued

Collaborative Touring Network

Restricted funding received to contribute towards the development & performance costs for the show 'Bunker of Zion'.

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 (2022: Nil 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.

15. 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 2023**

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, under which 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.