

REGISTERED COMPANY NUMBER: 02618453 (England and Wales)
REGISTERED CHARITY NUMBER: 1007409

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2023
for
Milton Keynes Arts Centre Ltd

Willsons (Higham Ferrers) Ltd
Chartered Accountants
Statutory Auditors
Carlton House
High Street
Higham Ferrers
Northamptonshire
NN10 8BW

Contents of the Financial Statements
for the Year Ended 31 March 2023

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 11
Report of the Independent Auditors	12 to 14
Statement of Financial Activities	15
Balance Sheet	16
Notes to the Financial Statements	17 to 27
Detailed Statement of Financial Activities	28 to 29

TRUSTEES

Ms L M Keen
Ms V A Wallersteiner
A Albaghdadi
M Smythe Artist Producer
J F Clements Trustee
H Askar Trustee
Miss A D Barnett
Mrs E L Stone (appointed 27.7.23)
K A Kirkpatrick (appointed 27.7.23)
Ms R Abdillahi (appointed 27.7.23)

REGISTERED OFFICE

Great Linford Arts Workshop
The Barn Office
Parklands, Great Linford
Milton Keynes
MK14 5DZ

**REGISTERED COMPANY
NUMBER**

02618453 (England and Wales)

**REGISTERED CHARITY
NUMBER**

1007409

AUDITORS

Willsons (Higham Ferrers) Ltd
Chartered Accountants
Statutory Auditors
Carlton House
High Street
Higham Ferrers
Northamptonshire
NN10 8BW

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity, as set out in the company's Memorandum of Association, are:

"to promote the benefit of the inhabitants of the designated area of Milton Keynes and the neighbourhood without the distinction of sex or of political, religious or other options by associating with the local authorities, voluntary organisations, Milton Keynes Development Corporation and the inhabitants in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants".

OBJECTIVES AND ACTIVITIES

Significant activities

What is Milton Keynes Arts Centre?

Milton Keynes Arts Centre is a multidisciplinary arts centre set in the historic grounds of Great Linford Manor Park. Established in 1974 as an independent arts and education charity, the charity presents a programme of exhibitions, live events and educational activities inspired by contemporary craft, design and the visual arts. The charity also provides artists with access to specialist resources and the space to explore new ideas, often developed in tandem with Milton Keynes' communities.

Milton Keynes Arts Centre strives to be a vital resource for the community, enriching the lives of those that live and work in Milton Keynes, as well as establishing a national reputation within the UK craft and design sectors, demonstrating the potential of creativity to change lives.

The charity's unique heritage site provides a sense of wellbeing for local schools, families, older users and Milton Keynes' marginalised communities. A year-round programme of exhibitions, workshops and events offers a safe and supportive environment for diverse communities to work together and learn together, exchanging skills and knowledge, opening up new avenues to further learning and employment.

Milton Keynes Arts Centre works in partnership with both local and national organisations including Milton Keynes City Council, the African Diaspora Foundation, The Parks Trust MK, Arts for Health MK and Arts Council England.

Milton Keynes Arts Centre's Vision

Exploring contemporary craft, design and the visual arts, our creative spaces offer flexible and supportive environments that unlock and showcase talent and nurture ideas enabling exchange across generations and communities, demonstrating the potential of creativity to change lives.

What does Milton Keynes Arts Centre do?

It offers life enriching encounters between audiences and artists, engaging public in dynamic conversations around craft, design and the visual arts.

It encourages artists to celebrate Milton Keynes and to imaginatively engage with the city's unique heritage.

It celebrates diversity by presenting a range of different views, voices and perspectives and being more reflective of the diversity of Milton Keynes.

It is entrepreneurial by seeking new partnerships, funding streams and examining new trends in support and giving to ensure our organisational style is fit for purpose through our resources, management, governance and leadership.

Craft, Design and Visual Arts

Milton Keynes Arts Centre delivers a year-round programme of exhibitions, creative workshops, events, a community outreach programme and artists' studios. Our programme offers high quality artist-led activity for both adults and children through structured, engaging and experimental experiences.

In 2022-23, the Arts Centre encouraged 25,315 visitors to Great Linford Manor Park to engage with the natural environment through an exhibition of artworks in trees created by artist duo, Juneau Projects, in collaboration with local communities; as well as through the distribution of 411 activity packs designed for schools and families. The artist Maddi Nicholson engaged 404 people in workshops sited in Beanhill and Netherfield: two areas ranked amongst the 10% most disadvantaged in the UK. Harold Offeh connected diverse communities from across the city in the creation of a feast at MK Gallery attended by 31 people. 96 young people aged 12-17 living in the city benefitted from Art, Nature & Wellbeing classes designed to improve their mental health; and 4,458 adults and children took part in creative courses led by professional artists, making use of the specialist facilities on the Arts Centre's site. The organisation provided work for 37 artists, commissioned 3 unique artworks and published one online school resource.

OBJECTIVES AND ACTIVITIES

Public benefit

Milton Keynes Arts Centre is a registered charity and provides an extensive range of benefits to the public. The benefits include access to specialist making resources including ceramics, wood, silversmithing, metal work and creative workspaces.

A year-round programme of free community outreach projects and professional development initiatives provide schools, colleges and our communities with opportunities to engage with an extensive number of creative practitioners.

Free family workshops, masterclasses, creative courses, talks, screenings, events and exhibitions all contribute to a sense of well-being, while the charity's grounds offer access to a number of unique heritage buildings. In determining these activities, the trustees have referred to the Charity Commission's guidance on public benefit.

In the period 1 April 2022 - 31 March 2023, 30,927 people took part in, experienced or visited activities organised by Milton Keynes Arts Centre. These activities comprised five exhibitions, four artist-led projects and 533 workshops for adults and children.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Juneau Projects: The Great Linford Ecology project

1 April - 30 September 2022

Continuing their project from 2021-22, artist duo Juneau Projects worked with Milton Keynes artists Alondene Phillips and Andrew Macdermott and local communities in creating wooden and ceramic sculptures, which were installed in trees around Great Linford Manor Park for 6 months. Between 1 April and 30 September, 25,315 people visited the park and engaged with these artworks. A further 411 family and school activity packs were given out, encouraging a greater understanding and appreciation of the natural environment through art.

Harold Offeh: Walk the Talk then Eat the Feast

6 April - 7 July 2022

Following a series of walks connecting diverse communities from across the city in February 2022, 57 people took part in workshops led by Harold Offeh with the support of Milton Keynes ceramic artist, Alondene Phillips, between 6-8 April and on 18 June. These workshops were designed to collect people's stories and memories of the areas in which they lived and involved residents from the YMCA in Central Milton Keynes, as well as people affiliated to Sew & Grow in Wolverton and the Frank Moran Centre in Bletchley. On 7 July, the artworks created - including plates, candlesticks and tablecloths - were brought together to form a collective map of the city at MK Gallery. 31 of the project's contributors attended this event, which involved an artist-led procession to the Gallery from the train station, a Milton Keynes-themed pub quiz and a feast of dishes selected by all of the people Harold Offeh had worked with as having personal significance. The event was captured in a specially commissioned film by Miles Umney.

Easter Events

9 - 16 April 2022

On 9 April, Katie Ellen Fields led a 2-day 'Hello Spring' course for twelve 8-13 year old children, creating artworks inspired by and using materials found in the natural environment. On 16 April, Emi Fujisawa led Kokedama workshops for six participants and Sophie Ghory led egg cup-decorating workshops for thirteen 5-8 year olds.

Maddi Nicholson: Home

21 May - 31 December 2022

With grant support from Milton Keynes Community Foundation, Maddi Nicholson worked with Milton Keynes artist, Ciara Callaghan, in building project management skills within the estates of Beanhill and Netherfield and identifying art and environmental projects the respective communities would like to make happen there. 255 people took part in badgemaking and fridge magnet workshops on 21 May, 22 and 23 July; a further 50 people then helped make and decorate ceramic money boxes based on the distinctive houses in each area between 3-5 July and on 27 August. The houses came together in a special exhibition at Milton Keynes Arts Centre on 17 September as part of Heritage Open Day, which was attended by 69 people. The houses were then sited back in the estates between September - December to collect nominations for shortlisted projects. 167 votes were collected, the majority being to improve the underpasses. These votes inform the next stage of the project.

Half-term events: Fantastical Ceramic Creatures with Lili John

31 May

6 children worked with the artist Lili John in making ceramic fantasy creatures during the half term.

Jubilee Events

4 - 5 June 2022

On 4 June, the Arts Centre offered drop-ins relating to concurrent projects with Harold Offeh and Maddi Nicholson, which were attended by 22 people, including 11 children. Juneau Projects art and nature trail was then promoted at St Andrews Church on 5 June, which was attended by in excess of 100 people.

Family First Saturdays

2 July 2022

7 families with children under 5 joined illustrator Rosie May to make their own window hangings inspired by stained glass art in our July Family First Saturday.

African Diaspora Festival

2 July 2022

36 people took part in weaving activities led by artist Zethu Maseko as part of the Festival in Campbell Park, which was used to promote the Arts Centre's online African Heritage resources.

The People's Plan for Nature

1 - 31 October 2022

Throughout October, Milton Keynes Arts Centre was one of 30 UK arts centres supporting The People's Plan for Nature: a campaign led by the RSPB, WWF and National Trust through which people's ideas were collected in order to develop a set of public demands to be put to government regarding tackling the climate crisis. The Arts Centre hosted a specially-designed tree, on which 114 people hung their suggestions.

Warm Wednesdays

October 2022 - March 2023

In partnership with Great Linford Parish Council, Milton Keynes Arts Centre offered free art activities, drinks and snacks to local residents every Wednesday during the winter months: providing a sociable and warm space to people who may have been struggling to meet the high costs associated with heating their homes.

Art, Nature and Wellbeing

8 October - 17 December 2022

Susan Erskine-Jones led a 10-week Art, Nature and Wellbeing programme developed in partnership with Arts for Health MK for young people experiencing poor mental health. Though the cohort of young people started the course apprehensively and with little communication between them, by the end of the course, the group appeared more confident and communicative.

Katerina Sedá: I Live Here

17 - 21 October 2022

The Czech artist, Katerina Sedá, spent five days in Eaglestone: one of Milton Keynes' first phase housing estates, which now ranks among the 10% most disadvantaged areas in the UK. The artist met with residents and gave a presentation about her work at Eaglestone Activity Centre on 19 October, which was attended by 27 residents. 31 questionnaires designed by the artist to learn more about the issues facing residents were completed in person and online. From this consultation, the artist has proposed developing with residents a new navigation system to both address the estate's confusing layout and the divisions between owner occupiers and tenants of social housing.

Artists Listening Event

18 November 2022

With Arts for Health and the Arts & Heritage Alliance, an Artists Listening Event took place at the Arts Centre, which was attended by 11 people, including 5 practising artists. The purpose of the event was to collect and share experiences of artists working in the field of wellbeing; identifying what existing support there is, and what more is required; and to develop a quality framework for best practice.

We're In it Together

10 December 2022

The Arts Centre offered a day of festive making opportunities. This included decorating ceramic baubles with Sarah Dewhurst, Christmas jumpers with Ciara Callaghan, making felt poinsettias with Anne-Marie Abbate, and natural wreath making with Marie Gracie. In the Gallery, Andrew Macdermott, Sarah Dewhurst, Emi Fujisawa, Katie Fields and Alondene Phillips sold their work; and in the Radcliffe Building, North Bucks Woodturning Club presented and sold their wares. 41 people participated in the making activities and 73 people visited the gallery, of which 14 were children. In the evening, people who had supported the Arts Centre throughout lockdown were invited to a party, at which Milton Keynes singer Ebum Yelé performed live.

SOFEA Ceramic Sessions

5 January - 9 February 2022

SOFEA is a charity that provides employability and wellbeing programmes for vulnerable young people. Over 6 weekly sessions, 62 young people worked with ceramicist Andrew Macdermott at the Arts Centre in creating clay sculptures.

Exploring African Textiles with Saint Akua and New Bradwell School

2 - 16 March 2023

Over 3 weeks, artist Saint Akua explored the use of patterns in west African textiles with 86 year 5 children from New Bradwell School.

FINANCIAL REVIEW

Financial position

The organisation develops its annual budget through our established financial project toolkit. This provides a detailed breakdown of expenditure and forecasts income. It enables the organisation to clearly identify funding and operational requirements. The budget is reviewed on a quarterly basis with monthly financial Sage data provided to trustees. As in previous years this approach allows us to clearly articulate our funding requirements to partners and provide, at a glance, the costing of delivering individual aspects of the organisation's activities thus enabling the further development and delivery of a high quality focused and sustainable programme.

Unrestricted funds total income was £146,810 compared to £114,952 in 2022.

The deficit after restricted fund transfers on unrestricted funds was £54,936 compared to a deficit of £9,658 in 2022.
See statement of financial activities for results

Investment policy and objectives

Under the Memorandum and Articles of Association, the charity has the power to invest in any way which is to its benefit.

The trustees, having regard to the liquidity requirement for the operation of the organisation's activities and reserves policy, have operated a policy of keeping an appropriate level of available funds in an interest-bearing account.

Reserves policy

Milton Keynes Arts Centre is currently dependent on annual grants from Milton Keynes City Council to sustain its activities, as earned income alone would not allow the charity to continue operating. Milton Keynes Arts Centre is also an Arts Council National Portfolio Organisation. The Arts Centre was successful in its application for an extension to this funding, which now runs until 31 March 2026.

To avoid closure if unforeseen funding difficulties were to arise, the trustees have agreed to keep a certain level of financial reserves to ensure that main operations can continue for a period of up to 6 months.

The main concerns of the trustees are to ensure:

- that staff can continue working, primarily to secure new funding
- that users are supported to move on to other facilities and services if this proves to be necessary.

Excluding tangible fixed assets of £6,827, whose disposal would adversely impact the charity's ability to deliver its aims, unrestricted reserves at 31 March 2023 amounted to £98,493.

Included in these unrestricted reserves is £38,318 of funds designated to reorganisation costs.

It has been calculated that reserves of approximately £45,000 would be needed to continue running for at least 3 months, and £78,000 for at least 6 months. The trustees are therefore seeking ways to maintain the level of the charity's reserves over the next few years and still deliver discretionary projects.

FINANCIAL REVIEW

Going concern

The Trustees have considered the effect of the ongoing fall-out from the pandemic and the current economic downturn on the going concern position. There have been several compounding factors that have been challenging for the charity including audiences unwilling to return to public buildings following closure due to the COVID-19 pandemic, rising energy costs, the cost of living crisis, a reduction in public spending on the arts and high competition for charitable grants resulting in lower visitor numbers, reduced programme income and shrinking profit margins.

Milton Keynes Arts Centre is currently dependent on annual grants from Milton Keynes City Council to sustain its activities, as earned income alone would not allow the charity to continue operating. Milton Keynes Arts Centre is also an Arts Council National Portfolio Organisation. If both Milton Keynes City Council and Arts Council England were to cease their grant funding, it is likely that Milton Keynes Arts Centre would have to consider closing down.

As mentioned in more detail in the charity's Future Plans, Milton Keynes Arts Centre successfully secured another 3 years' funding from Arts Council England. This annual award enabled the organisation to continue to operate. With standstill funding since 2018 however, the Trustees recognised that the organisation needed to reduce its overheads and running costs in order to continue as a going concern, especially given the current economic climate.

The Arts Centre underwent a restructure in early 2023, reducing its staffing levels by the equivalent of 2 fulltime posts. It also closed one of its buildings on 31 March 2023, which is to be handed back to Milton Keynes City Council at the end of September 2023. By reducing its overheads, the Arts Centre anticipates being able to channel more of its grant income into its charitable activities. The closure of the Radcliffe Building in which the organisation's courses took place, meanwhile, liberates staff time previously occupied with managing 30 weeks and 1,320 hours of courses each year to support a peripatetic programme developed in areas of Milton Keynes ranked amongst the most disadvantaged in the UK, and in collaboration with the city's most marginalised communities.

Therefore, after making enquiries and considering the uncertainties described above, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

FUTURE PLANS

In November 2022, Milton Keynes Arts Centre successfully secured another 3 years' funding from Arts Council England for the period 1 April 2023 - 31 March 2026. The grant offered is £99,803 per annum, totalling £299,409. This annual award enabled the organisation to continue to operate. With standstill funding since 2018 however, the Trustees recognised that the organisation needed to reduce its overheads and running costs in order to continue as a going concern, especially given the current economic climate.

2022-23 involved the Arts Centre transitioning to a new business model designed to:

- o Focus its resources on the organisation's core charitable purpose: ensuring that the Arts Centre's work prioritises MK communities in greatest need of support.
- o Ensure that the Arts Centre a key agent in MK City Council's ambition to 'harness the transformational power of culture' in addressing future challenges - locally and globally.
- o Develop more ambitious, higher quality projects with artists and communities, which leave a lasting positive legacy on people's lives.
- o Enable the Arts Centre to go out to MK communities, rather than relying on them coming to Great Linford, so helping to overcome geographic, economic and social barriers to cultural engagement and ensuring that its work is relevant and fully reflects the diversity of MK.
- o Reduce the organisation's carbon imprint through an innovative reinterpretation of what an arts centre is and can be.
- o Make the Arts Centre more resilient and sustainable.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Milton Keynes Arts Centre Limited is a company limited by guarantee and governed by its Memorandum and Articles of Association dated 7th June 1991 and amended to the current governance arrangement on 9th March 2005. It is registered as a charity with the Charity Commission.

As a company limited by guarantee accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Recruitment and appointment of new trustees

Membership of the trust is open to any individual over the age of 18 interested in promoting the objectives (up to a maximum of 12 members) each of whom will have:

- applied to the trust in the form required by the trustees;
- been approved by the trustees whose decision shall be final;
- expressed in writing his / her personal agreement with the mission statement and Objects of the Charity; and
- consented in writing to become a member.

The memorandum and articles state that subscribers to the memorandum and such other persons or organisation as are admitted to membership in accordance with the rules made under Article 61 shall be members of the trust.

No person shall be admitted as a member of the trust unless his application for membership is approved by the trustees.

As set out within the Articles of Association:

- the chair of the trust is nominated by Milton Keynes Arts Centre;
- the number of members of the company shall be no more than twelve; and
- the trust maintains a register of members.

Unless the trustees or the Trust in a general meeting shall make other provisions under Article 61, the trustees may in their absolute discretion permit any member of the trust to retire, provided that after such retirement the number of members is not less than three.

The Trustees may establish different classes of membership and prescribe their respective privileges and duties and set the amounts of any subscriptions. The Trustees shall permit such organisations as they shall approve to become Associate Members, with such entitlements as the Trustees shall from time to time prescribe. For the avoidance of doubt, Associate Members shall not have any of the usual entitlements of a member of a Company, and in particular the right to attend or vote at meetings of the Company.

The Board of Trustees consists of up to twelve elected members and can include co-opted members. When considering co-opting trustees, the board has regard to the requirement for specialist skills, for example, an artist or educator to support programme development.

Elected members are appointed at the Annual General Meeting and the co-opted members are appointed by a meeting of the committee. Trustees are elected for a period of three years, following which they may be re-elected provided that one third of the members and the co-opted members retire and vacancies become available.

All members are circulated with invitations to nominate trustees prior to the AGM. This information is also publicly displayed advising them of the retiring trustees and requesting nominations for the AGM.

The board also has representation from Milton Keynes City Council and the potential for representation from other organisations in the form of non-voting advisors; these appointments are determined by the processes of these bodies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The board of trustees, which can have up to 12 members, administers the charity. The board meets quarterly and where appropriate there are working groups covering Fundraising and Capital Development. Additional working groups are identified from time to time to meet the operational needs/development of the organisation.

An executive director is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations of the charity, the executive director has delegated authority (within terms of delegation approved by the trustees) for operational matters including finance, recruitment and artistic programme and development.

Induction and training of new trustees

New trustees take part in an induction process which details their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, organisational decision making processes and meeting key staff. This process is supported by reference materials and opportunities to undertake further training.

Related parties

Milton Keynes City Council provides essential core funding through an annual grant enabling Milton Keynes Arts Centre to offer studio provision and deliver a programme of outreach projects targeting Milton Keynes' disadvantaged communities, along with professional development courses targeting local colleges and families workshops for those living on nearby estates.

The charity also has a number of key relationships with other organisations to support in the delivery of its artistic and community programmes, these include Arts Council England, Heritage Lottery Fund, MK Community Foundation, Radcliffe Trust and Rothschild Foundation, along with a number of smaller trusts and foundations.

The charity has a close relationship with a number of further education establishments including MK College whom the charity works with to provide career and professional development initiatives.

Risk management

The trustees update annually a risk management strategy and register which comprises::

- An annual review of the risks the charity may face;
- The establishment of policy and procedures to mitigate and identified risks;
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Milton Keynes Arts Centre Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

In so far as the trustees are aware:

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

AUDITORS

The auditors, Willsons (Higham Ferrers) Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 31 October 2023 and signed on its behalf by:

Ms L M Keen - Trustee

Opinion

We have audited the financial statements of Milton Keynes Arts Centre Ltd (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 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; and
- 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

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

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of management in compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Craig Baird FCA (Senior Statutory Auditor)
for and on behalf of Willsons (Higham Ferrers) Ltd
Chartered Accountants
Statutory Auditors
Carlton House
High Street
Higham Ferrers
Northamptonshire
NN10 8BW

31 October 2023

Milton Keynes Arts Centre Ltd

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2023

	Notes	Unrestricted fund £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		832	-	832	709
Charitable activities	4				
Activities undertaken directly		100,885	152,848	253,733	259,524
Other trading activities	2	5,463	-	5,463	2,757
Investment income	3	39,630	-	39,630	30,214
Total		<u>146,810</u>	<u>152,848</u>	<u>299,658</u>	<u>293,204</u>
EXPENDITURE ON					
Raising funds		1,881	1,325	3,206	2,788
Charitable activities	5				
Activities undertaken directly		<u>199,865</u>	<u>157,360</u>	<u>357,225</u>	<u>323,663</u>
Total		<u>201,746</u>	<u>158,685</u>	<u>360,431</u>	<u>326,451</u>
NET INCOME/(EXPENDITURE)		(54,936)	(5,837)	(60,773)	(33,247)
RECONCILIATION OF FUNDS					
Total funds brought forward		160,257	26,133	186,390	219,637
TOTAL FUNDS CARRIED FORWARD		<u><u>105,321</u></u>	<u><u>20,296</u></u>	<u><u>125,617</u></u>	<u><u>186,390</u></u>

The notes form part of these financial statements

Milton Keynes Arts Centre Ltd

Balance Sheet

31 March 2023

	Notes	31.3.23 £	31.3.22 £
FIXED ASSETS			
Tangible assets	11	6,827	18,764
CURRENT ASSETS			
Stocks	12	200	500
Debtors	13	2,590	2,144
Cash at bank and in hand		143,413	209,424
		<u>146,203</u>	<u>212,068</u>
CREDITORS			
Amounts falling due within one year	14	(27,413)	(44,442)
NET CURRENT ASSETS		<u>118,790</u>	<u>167,626</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>125,617</u>	<u>186,390</u>
NET ASSETS		<u>125,617</u>	<u>186,390</u>
FUNDS	16		
Unrestricted funds		105,320	160,257
Restricted funds		20,297	26,133
TOTAL FUNDS		<u>125,617</u>	<u>186,390</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 31 October 2023 and were signed on its behalf by:

L M Keen - Trustee

A Albaghdadi - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Milton Keynes Arts Centre Limited is a company limited by guarantee in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information page of these financial statements. The nature of the charity's operations and principal activities are detailed in the trustees report.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The following specific policies are applied to particular categories of income:

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. No recognition has been made for the building at Great Linford as the fair value cannot be measured reliably due to the complexities of covenants on the land and buildings.

Income from trading activities includes income earned from rental income, fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of operation requirements. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Income from investments is included in the year in which it is receivable.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

It is categorised under the following headings:

Costs of raising funds includes the costs associated with attracting voluntary income and the costs of trading for fundraising purposes;

1. ACCOUNTING POLICIES - continued

Expenditure

Expenditure on charitable activities includes those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them; and

Other expenditure represents those items not falling into the categories above.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on cost
Fixtures and fittings	- 33% on cost and 20% on reducing balance

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Stocks

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

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

The Trustees have considered the effect of the ongoing fall-out from the pandemic and the current economic downturn on the going concern position. There have been several compounding factors that have been challenging for the charity including audiences unwilling to return to public buildings following closure due to the COVID-19 pandemic, rising energy costs, the cost of living crisis, a reduction in public spending on the arts and high competition for charitable grants resulting in lower visitor numbers, reduced programme income and shrinking profit margins.

Milton Keynes Arts Centre is currently dependent on annual grants from Milton Keynes City Council to sustain its activities, as earned income alone would not allow the charity to continue operating. Milton Keynes Arts Centre is also an Arts Council National Portfolio Organisation. If both Milton Keynes City Council and Arts Council England were to cease their grant funding, it is likely that Milton Keynes Arts Centre would have to consider closing down.

As mentioned in more detail in the charity's Future Plans, Milton Keynes Arts Centre successfully secured another 3 years' funding from Arts Council England. This annual award enabled the organisation to continue to operate. With standstill funding since 2018 however, the Trustees recognised that the organisation needed to reduce its overheads and running costs in order to continue as a going concern, especially given the current economic climate.

1. ACCOUNTING POLICIES - continued**Going concern**

The Arts Centre underwent a restructure in early 2023, reducing its staffing levels by the equivalent of 2 fulltime posts. It also closed one of its buildings on 31 March 2023, which is to be handed back to Milton Keynes City Council at the end of September 2023. By reducing its overheads, the Arts Centre anticipates being able to channel more of its grant income into its charitable activities. The closure of the Radcliffe Building in which the organisation's courses took place, meanwhile, liberates staff time previously occupied with managing 30 weeks and 1,320 hours of courses each year to support a peripatetic programme developed in areas of Milton Keynes ranked amongst the most disadvantaged in the UK, and in collaboration with the city's most marginalised communities.

Therefore, after making enquiries and considering the uncertainties described above, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2. OTHER TRADING ACTIVITIES

	31.3.23	31.3.22
	£	£
Catering	5,463	2,757
	<u>5,463</u>	<u>2,757</u>

3. INVESTMENT INCOME

	31.3.23	31.3.22
	£	£
Rents received	39,541	30,200
Deposit account interest	89	14
	<u>39,630</u>	<u>30,214</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.23	31.3.22
		£	£
Fees from programme activities	Activities undertaken directly	79,949	68,576
MK City Council grants	Activities undertaken directly	63,981	59,000
Other grants	Activities undertaken directly	10,000	6,300
Government grants	Activities undertaken directly	-	845
Arts Council grants	Activities undertaken directly	99,803	124,803
		<u>253,733</u>	<u>259,524</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Activities undertaken directly	340,621	16,604	357,225

6. SUPPORT COSTS

	Governance costs £
Activities undertaken directly	16,604

Support costs, included in the above, are as follows:

	31.3.23 Activities undertaken directly £	31.3.22 Total activities £
Auditors' remuneration	3,108	3,367
Accountancy and legal fees	13,496	15,216
	16,604	18,583

7. NET INCOME/(EXPENDITURE)

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

	31.3.23 £	31.3.22 £
Auditors' remuneration	3,108	3,367
Depreciation - owned assets	12,362	6,813
Deficit on disposal of fixed assets	115	-

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

The total amount of employee remuneration received by key management personnel is £46,400 (2022 - £45,900).

Trustees' expenses

Trustees' expenses reimbursed in the year ended 31 March 2023 were £84 (2022: £nil).

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

9. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	135,578	144,608
Social security costs	5,889	7,034
Other pension costs	2,665	1,685
	<u>144,132</u>	<u>153,327</u>

The average monthly number of employees during the year was as follows:

	31.3.23	31.3.22
Management and support	<u>8</u>	<u>10</u>

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	709	-	709
Charitable activities			
Activities undertaken directly	81,284	178,240	259,524
Other trading activities	2,745	12	2,757
Investment income	30,214	-	30,214
Total	<u>114,952</u>	<u>178,252</u>	<u>293,204</u>
EXPENDITURE ON			
Raising funds	1,659	1,129	2,788
Charitable activities			
Activities undertaken directly	251,608	72,055	323,663
Total	<u>253,267</u>	<u>73,184</u>	<u>326,451</u>
NET INCOME/(EXPENDITURE)	(138,315)	105,068	(33,247)
Transfers between funds	128,657	(128,657)	-
Net movement in funds	<u>(9,658)</u>	<u>(23,589)</u>	<u>(33,247)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	169,913	49,724	219,637
TOTAL FUNDS CARRIED FORWARD	<u>160,255</u>	<u>26,135</u>	<u>186,390</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

11. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Office equipment £	Totals £
COST				
At 1 April 2022	50,017	12,646	12,353	75,016
Additions	-	-	540	540
Disposals	-	(420)	-	(420)
At 31 March 2023	50,017	12,226	12,893	75,136
DEPRECIATION				
At 1 April 2022	39,063	10,363	6,826	56,252
Charge for year	5,002	1,322	6,038	12,362
Eliminated on disposal	-	(305)	-	(305)
At 31 March 2023	44,065	11,380	12,864	68,309
NET BOOK VALUE				
At 31 March 2023	5,952	846	29	6,827
At 31 March 2022	10,954	2,283	5,527	18,764

12. STOCKS

	31.3.23 £	31.3.22 £
Stocks	200	500

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23 £	31.3.22 £
Trade debtors	2,590	2,144

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23 £	31.3.22 £
Trade creditors	10,960	6,042
Social security and other taxes	3,067	1,662
Other creditors	1,883	1,700
Deferred income	3,995	25,597
Accrued expenses	7,508	9,441
	27,413	44,442

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
Fixed assets	6,827	-	6,827	18,764
Current assets	125,906	20,297	146,203	212,068
Current liabilities	(27,413)	-	(27,413)	(44,442)
	<u>105,320</u>	<u>20,297</u>	<u>125,617</u>	<u>186,390</u>

16. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	160,257	(54,937)	105,320
Restricted funds			
Skills Exchange	1,205	(1,205)	-
Community Kitchen	123	(123)	-
Capital Feasibility	9,953	-	9,953
Ernest Cook:The Inside Out Kitchen	227	(227)	-
Hey Clay (Kiln Fundraiser)	9,433	-	9,433
MK Community Education Project	911	-	911
Artistic Programme	3,478	(3,478)	-
Grocers Charity	735	(735)	-
Assura	68	(68)	-
	<u>26,133</u>	<u>(5,836)</u>	<u>20,297</u>
TOTAL FUNDS	<u>186,390</u>	<u>(60,773)</u>	<u>125,617</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	146,810	(201,747)	(54,937)
Restricted funds			
Skills Exchange	-	(1,205)	(1,205)
Community Kitchen	-	(123)	(123)
Ernest Cook:The Inside Out Kitchen	-	(227)	(227)
MK Community Foundation	10,000	(10,000)	-
Artistic Programme	142,848	(146,326)	(3,478)
Grocers Charity	-	(735)	(735)
Assura	-	(68)	(68)
	<u>152,848</u>	<u>(158,684)</u>	<u>(5,836)</u>
TOTAL FUNDS	<u>299,658</u>	<u>(360,431)</u>	<u>(60,773)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	169,913	(138,313)	128,657	160,257
Restricted funds				
Skills Exchange	1,205	-	-	1,205
Community Kitchen	208	(85)	-	123
Radcliffe Open Door Project	101	(1,545)	1,444	-
Capital Feasibility	9,953	-	-	9,953
Ernest Cook:The Inside Out Kitchen	227	-	-	227
Powerplant	2,520	(2,520)	-	-
Hey Clay (Kiln Fundraiser)	9,433	-	-	9,433
MK Community Education Project	911	-	-	911
Rothchild Mapping Heritage	4,945	(4,945)	-	-
Artistic Programme	13,080	103,350	(112,952)	3,478
Grocers Charity	1,230	(354)	(141)	735
Assura	1,761	(1,693)	-	68
Covid Fund	4,150	12,858	(17,008)	-
	<u>49,724</u>	<u>105,066</u>	<u>(128,657)</u>	<u>26,133</u>
TOTAL FUNDS	<u>219,637</u>	<u>(33,247)</u>	<u>-</u>	<u>186,390</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	114,952	(253,265)	(138,313)
Restricted funds			
Community Kitchen	-	(85)	(85)
Radcliffe Open Door Project	6,000	(7,545)	(1,545)
Powerplant	-	(2,520)	(2,520)
Rothchild Mapping Heritage	-	(4,945)	(4,945)
Artistic Programme	147,252	(43,902)	103,350
Grocers Charity	-	(354)	(354)
Assura	-	(1,693)	(1,693)
Covid Fund	25,000	(12,142)	12,858
	<u>178,252</u>	<u>(73,186)</u>	<u>105,066</u>
TOTAL FUNDS	<u>293,204</u>	<u>(326,451)</u>	<u>(33,247)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	169,913	(193,250)	128,657	105,320
Restricted funds				
Skills Exchange	1,205	(1,205)	-	-
Community Kitchen	208	(208)	-	-
Radcliffe Open Door Project	101	(1,545)	1,444	-
Capital Feasibility	9,953	-	-	9,953
Ernest Cook:The Inside Out Kitchen	227	(227)	-	-
Powerplant	2,520	(2,520)	-	-
Hey Clay (Kiln Fundraiser)	9,433	-	-	9,433
MK Community Education Project	911	-	-	911
Rothchild Mapping Heritage	4,945	(4,945)	-	-
Artistic Programme	13,080	99,872	(112,952)	-
Grocers Charity	1,230	(1,089)	(141)	-
Assura	1,761	(1,761)	-	-
Covid Fund	4,150	12,858	(17,008)	-
	<u>49,724</u>	<u>99,230</u>	<u>(128,657)</u>	<u>20,297</u>
TOTAL FUNDS	<u>219,637</u>	<u>(94,020)</u>	<u>-</u>	<u>125,617</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	261,762	(455,012)	(193,250)
Restricted funds			
Skills Exchange	-	(1,205)	(1,205)
Community Kitchen	-	(208)	(208)
Radcliffe Open Door Project	6,000	(7,545)	(1,545)
Ernest Cook:The Inside Out Kitchen	-	(227)	(227)
Powerplant	-	(2,520)	(2,520)
MK Community Foundation	10,000	(10,000)	-
Rothchild Mapping Heritage	-	(4,945)	(4,945)
Artistic Programme	290,100	(190,228)	99,872
Grocers Charity	-	(1,089)	(1,089)
Assura	-	(1,761)	(1,761)
Covid Fund	25,000	(12,142)	12,858
	<u>331,100</u>	<u>(231,870)</u>	<u>99,230</u>
TOTAL FUNDS	<u>592,862</u>	<u>(686,882)</u>	<u>(94,020)</u>

17. EMPLOYEE BENEFIT OBLIGATIONS

The company operates a defined contribution pension scheme in respect of the staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

19. UNRESTRICTED FUNDS

Unrestricted general funds are incoming resources received or generated for expenditure on the general objectives of the charity.

20. RESTRICTED FUNDS

Skills Exchange

A community outreach project working with the Coffee Hall community and residents association to explore the history of the estate and using resources at the Great Linford site to create a series of responses.

Community Kitchen

This is funding to enable MKAC to offer a unique community resource which

- promotes awareness of the links between food and healthy lifestyles
- provides healthy, locally sourced food and drink
- provides a welcoming social and meeting place for our communities

Radcliffe Open Door Project

This is funding for a project to provide a programme of heritage craft activities. It will provide opportunities to those who might not normally engage with the traditional crafts of blacksmithing, green woodworking, lace making and basket making.

The Inside Out Kitchen

Supported by the Ernest Cook Trust, Inside Out Kitchen championed traditional heritage craft skills, to build a dedicated eating and socialising space on the grounds of Milton Keynes Arts Centre. Inside Out Kitchen explores new ways of bringing communities together to enjoy food and their local environment.

Power Plant

Annual programme of free, artist lead workshops inspired by the built environment of Milton Keynes.

Hey Clay

Funded by MK Community Foundation, MKAC delivered a two-day event of free ceramic drop in sessions in pot throwing, collaborative hand building and a self-guided all ages clay play station, providing an opportunity for adults, young people, children and their families who would not normally have access a chance to get hands on with clay. The funds raised are to be used for a new kiln.

Milton Keynes Community Education Project

Milton Keynes Arts Centre delivered Arts Award Explore to two Milton Keynes primary schools in partnership with Milton Keynes Cultural Educational Partnership; a collective of organisations and school leaders working across culture, education and youth, brought together by the drive to nourish the creative and cultural wellbeing of the children and young people in Milton Keynes.

Rothschild Mapping Heritage

Funded project by the Rothschild Foundation; a heritage craft focused project introducing students from primary schools; Great Linford Primary, Two Mile Ash and Beaudesert Lower School and three secondary schools; The Walnuts School, Stantonbury Campus and Bridge Academy, to woodwork, metalwork, lacemaking, weaving and basket making across a 12 month programme.

Artistic Programme

20. RESTRICTED FUNDS - continued

Milton Keynes Arts Centre has successfully secured Arts Council England National Portfolio status. This funding agreement, together with Milton Keynes City Council funding, has enabled the organisation to further expand its programme of community outreach projects and professional development opportunities for Milton Keynes-based practitioners.

Grocers Charity

Supported by a grant received from the Grocers Charity, a series of workshops with artists Kitty Finer, Lauren Godfrey, Juneau Projects and Maddi Nicholson were organised in collaboration with, and for the benefit of, residents of the YMCA and of Pritchard Court Sheltered Housing in Milton Keynes.

Assura

Online recorded creative learning workshops.

Covid Fund

During the closure of the organisation during the pandemic, Milton Keynes Arts Centre received an Emergency Response grant and two Covid Recovery Fund grants through Arts Council England. These funds were invaluable in ensuring the organisation's survival during a time when its ability to earn income was significantly diminished. The funds also enabled the organisation to adapt its business to accommodate Covid security upon its reopening.

Detailed Statement of Financial Activities
for the Year Ended 31 March 2023

	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	832	-	832	709
Other trading activities				
Catering	5,463	-	5,463	2,757
Investment income				
Rents received	39,541	-	39,541	30,200
Deposit account interest	89	-	89	14
	<hr/>	<hr/>	<hr/>	<hr/>
	39,630	-	39,630	30,214
Charitable activities				
Fees from programme activities	79,904	45	79,949	68,576
MK City Council grants	20,981	43,000	63,981	59,000
Other grants	-	10,000	10,000	6,300
Government grants	-	-	-	845
Arts Council grants	-	99,803	99,803	124,803
	<hr/>	<hr/>	<hr/>	<hr/>
	100,885	152,848	253,733	259,524
Total incoming resources	<hr/>	<hr/>	<hr/>	<hr/>
	146,810	152,848	299,658	293,204
EXPENDITURE				
Raising donations and legacies				
Hospitality	268	1,203	1,471	1,327
Other trading activities				
Purchases	1,613	122	1,735	1,461
Charitable activities				
Wages	17,056	118,522	135,578	144,608
Social security	5,889	-	5,889	7,034
Pensions	2,665	-	2,665	1,685
Rates and water	2,045	-	2,045	(83)
Insurance	7,203	-	7,203	7,421
Light and heat	27,841	-	27,841	15,209
Telephone	2,832	-	2,832	4,164
Postage and stationery	886	-	886	2,408
Advertising and publicity	1,347	2,451	3,798	7,961
Sundries	481	122	603	1,379
Course materials and expenses	11,991	11,982	23,973	25,230
Tutor and artist's fees	32,582	20,565	53,147	50,503
Repairs and maintenance	30,789	986	31,775	15,560
Carried forward	143,607	154,628	298,235	283,079

Detailed Statement of Financial Activities
for the Year Ended 31 March 2023

	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
Charitable activities				
Brought forward	143,607	154,628	298,235	283,079
Computer expenses	3,885	81	3,966	2,875
Motor and travel	1,322	2,383	3,705	5,590
Staff welfare and training	2,054	240	2,294	2,391
Consultancy and research	17,874	27	17,901	1,754
Bad debts	-	-	-	430
Improvements to property	5,002	-	5,002	4,971
Fixtures and fittings	1,322	-	1,322	523
Computer equipment	6,038	-	6,038	1,319
Loss on sale of tangible fixed assets	115	-	115	-
Bank charges	2,043	-	2,043	2,148
	<u>183,262</u>	<u>157,359</u>	<u>340,621</u>	<u>305,080</u>
Support costs				
Governance costs				
Auditors' remuneration	3,108	-	3,108	3,367
Accountancy and legal fees	13,496	-	13,496	15,216
	<u>16,604</u>	<u>-</u>	<u>16,604</u>	<u>18,583</u>
Total resources expended	<u>201,747</u>	<u>158,684</u>	<u>360,431</u>	<u>326,451</u>
Net (expenditure)/income	<u>(54,937)</u>	<u>(5,836)</u>	<u>(60,773)</u>	<u>(33,247)</u>