

ZINC ARTS

England & Wales · Charity number 1035444

Details

Other names	THEATRE RESOURCE
Status	Registered
Legal form	Charitable company
Company number	02866315
Registered	1994-03-22
Register	View on the Charity Commission register

Contact

Address	Zinc Great Stony High Street Ongar CM5 0AD
Phone	01277365626
Email	info@zincarts.org.uk
Website	www.zincarts.org.uk

Activities

Objects: TO ADVANCE EDUCATION FOR THE PUBLIC BENEFIT THROUGH THE PROMOTION OF THE ARTS, PARTICULARLY BUT NOT EXCLUSIVELY FOR DISABLED AND DISADVANTAGED PEOPLE.

Activities: Zinc Arts delivers Arts and education projects with disabled people and socially excluded groups and also provides a wide range of social and recreational activities for the local and wider community. Chipping Ongar and surrounding parishes, Essex and throughout England and Wales

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Disability, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** IN PRACTICE ENGLAND AND WALES WITH PARTICULAR REFERENCE TO ESSEX, HERTFORDSHIRE AND THE EAST OF ENGLAND
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£491,806	£519,739	-	-
2024-03-31	£371,963	£420,696	-	-
2023-03-31	£344,061	£358,280	-	-
2022-03-31	£270,687	£296,443	-	-
2021-03-31	£388,042	£278,373	-	-

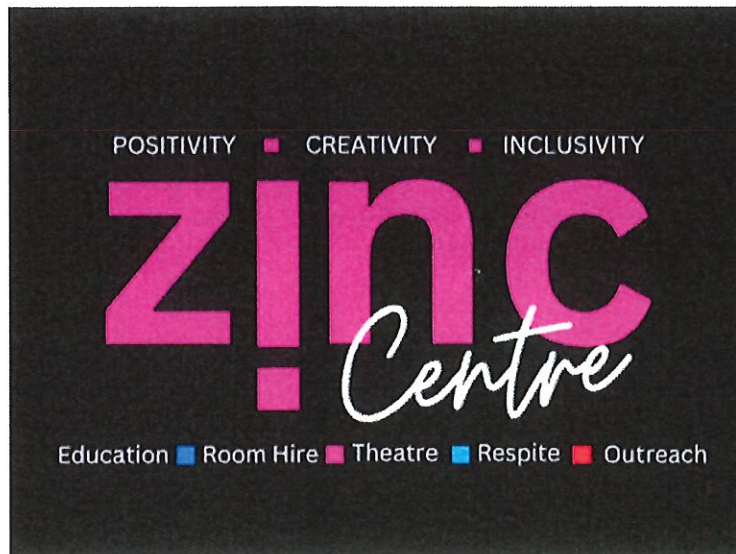
Trustees

Name	Role	Appointed
Dr Daryn Hufton-Rees	Chair	2014-07-14
Jamie Macloed		2023-11-23
Victoria Kaye		2015-10-29

ZINC ARTS

England & Wales - Charity number 1035444

Accounts



Zinc Arts Trustees' Report for the year ended 31 March 2025

Registered Charity number: 1035444

Company number: 02866315

INTRODUCTION

The Trustees, who are also Directors of the charity for the purposes of the Companies Act, present their annual report together with the financial statements of Zinc Arts ("the charity") for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the charity's governing document, and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

TRUSTEES (serving during 2024–25)

- Dr Daryn Hufton-Rees
- Victoria Kaye
- Jamie Macleod

STRUCTURE, GOVERNANCE AND MANAGEMENT

Zinc Arts is a charitable company limited by guarantee (Company No. 02866315) and was incorporated on 27 October 1993. Each member of the charity undertakes to contribute £10 to its assets in the event of winding up.

Trustees met regularly throughout the year to oversee governance, strategy and risk. The Board undertook skills reviews and continues efforts to expand trustee membership to strengthen the knowledge base available to the charity.

New trustees receive an induction pack, access to organisational policies, and opportunities for learning about their legal responsibilities.

OBJECTIVES AND ACTIVITIES

Charitable Objective (as per the governing document):

“To advance education for the public benefit through the promotion of the arts, particularly but not exclusively for disabled and disadvantaged people.”

A post-pandemic review confirmed that Zinc Arts operates as a fully inclusive arts and community organisation serving a wide range of people, including but not limited to those with disabilities. An update to the constitution is planned.

Public Benefit

The Trustees confirm they have complied with Charity Commission guidance on public benefit. Services are subsidised where possible, and concessions ensure people on low incomes can participate.

Activities in 2024–25

- Tolpuddle House Programme – supported living and skills development.
- Health, Wellbeing and Focus Centre – temporary accommodation for individuals at risk of homelessness.
- Aspire Learning – accredited creative and life-skills programmes for learners aged 16+.
- Respite Services – monthly respite support; moving to quarterly off-site respite weekends from 2025–26 due to EFDC’s full use of the on-site residential block.
- After-school provision delivered Monday–Thursday in partnership with Essex Youth Service.
- Holiday workshops delivered during school breaks in partnership with Active Essex.
- Community use of Zinc Arts Centre for arts, wellbeing and social programmes.

FINANCIAL REVIEW

Income for the year increased to £491,806 (2024: £371,963), primarily driven by growth in contracts, service delivery and community programmes. Expenditure rose proportionately to £519,739 (2024: £420,696).

Zinc incurs a substantial depreciation charge relating to improvements of the building prior to 2012. This amounted to £155,972. These are not cash costs and therefore the trustees consider it appropriate to exclude them from the review of the year.

The operating deficit before depreciation improved to £27,933 (2024: £48,733).

DESIGNATED FUNDS

The charity holds a designated fund of £1,156 invested in the COIF Charities Investment Fund, earmarked for future property repairs and renewals.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees monitor financial, operational and safeguarding risks regularly. Key risks include:

- Financial sustainability and dependence on loan forbearance.
- Cash flow pressures and limited unrestricted reserves.
- Rising operational costs.
- Dependence on key contracts and partnerships.
- The need to maintain and improve facilities to meet expectations.

Mitigation includes strengthened governance, budget monitoring, ongoing dialogue with creditors, expansion of income streams, and strategic development of new partnerships.

GOING CONCERN

Despite the net liability position, the Trustees consider the going concern basis appropriate. This assessment reflects:

- Continued and historic lender forbearance.
- Positive relationships with funders and commissioners and existing contracts in place.
- Growth in earned income streams.
- Active management of cash flow.

The Trustees acknowledge material uncertainty relating to going concern but are confident that the organisation can continue to operate for at least 12 months from the signing of the accounts.

PLANS FOR THE FUTURE (2025–26)

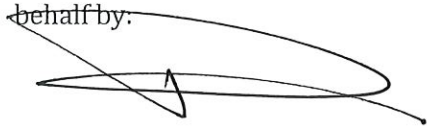
1. Expand accredited education pathways including digital arts, enterprise skills and independent living modules.
2. Grow outreach programmes across Essex, including external delivery and new school partnerships.
3. Deliver quarterly off-site Respite Weekends while EFDC utilises the residential block for temporary accommodation.
4. Strengthen financial sustainability through revised pricing, increased service users and new partnerships.
5. Invest in building, environmental improvements and digital systems.
6. Recruit additional Trustees.

TRUSTEES' RESPONSIBILITIES

Trustees are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and UK accounting standards. They must ensure the financial statements give a true and fair view of the charity's financial activities and safeguard its assets.

REPORT APPROVAL AND SIGNATURE

This report was approved by the Trustees on 24th November 2025 and signed on their behalf by:



Signed: _____

Dr Daryn Hufton-Rees, Trustee

Date: 24th November 2025

Zinc Arts

**Financial Statements
for the year ended
31 March 2025**

Registered Charity number: 1035444

Company number: 02866315

Zinc Arts

Financial statements for the year ended 31 March 2025

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Directors/Trustees*

Dr Daryn Kenneth Hufton-Rees
Victoria Kaye
Jamie Macloed

** Trustees of the Charity are also known as Directors of the Company.*

The accompanying Trustees' Report includes the information required for the Directors' Report required by company law.

Zinc Arts

Independent Examiner's Report - 31 March 2025

Report to the Trustees of Zinc Arts on the financial statements of the Charitable Company ("the Company") for the year ended 31 March 2025 set out on pages 4 to 15.

Responsibilities and basis of report

I report to the Charity's Trustees on my examination of the accounts of the Company for the year ended 31 March 2025.

As the Trustees of the Company (and also the Directors of the Company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

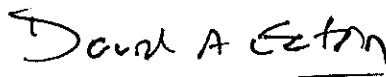
Independent examiner's statement

The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in, any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Signed: DA EATON

24 November 2025

David A Eaton FCA

Eaton & Co

Chartered Accountants and Consultants

The Cedars, School Lane, Great Barton, Bury St Edmunds, Suffolk IP31 2RQ

Zinc Arts

Statement of Financial Activities (including income and expenditure account) For the year ended 31 March 2025

	Note	2025			2024		
		Unrestricted funds	Restricted Funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
		£		£	£		£
Income:							
Donations, legacies and grants	2	28,746	-	28,746	17,826	-	17,826
Income from charitable activities	3	410,426	-	410,426	306,797	-	306,797
Other incoming resources		52,634	-	52,634	47,340	-	47,340
Total income		491,806	-	491,806	371,963	-	371,963
Expenditure on:							
Charitable activities	4	519,739	-	519,739	420,696	-	420,696
Total expenditure		519,739	-	519,739	420,696	-	420,696
Net income (expenditure) before depreciation and revaluations		(27,933)	-	(27,933)	(48,733)	-	(48,733)
Depreciation		(155,972)		(155,972)	(155,972)		(155,972)
Gains and losses on revaluations of investment assets		-	-	-	-	-	-
Net (expenditure) and net movement in funds for the year		(183,905)	-	(183,905)	(204,705)	-	(204,705)
Reconciliation of funds:							
Total funds brought forward		(978,031)	-	(978,031)	(773,326)	-	(773,326)
Total funds carried forward		(1,161,936)	-	(1,161,936)	(978,031)	-	(978,031)

All of the above results are derived from continuing activities. There were no other recognised gains or losses during the year.

Zinc Arts
Balance Sheet
For the year ended 31 March 2025

		<u>2025</u>		<u>2024</u>	
	Note	£	£	£	£
Fixed assets:					
Tangible assets	9		2,210,456		2,366,428
			<u>2,210,456</u>		<u>2,366,428</u>
Current assets:					
Debtors	10	49,624		31,134	
Investments	11	1,157		1,157	
Cash at bank and in hand		4,707		10,157	
		<u>55,488</u>		<u>42,448</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	342,509		301,536	
Net current liabilities			(287,021)		(259,088)
Total assets less current liabilities			<u>1,923,435</u>		<u>2,107,340</u>
Creditors: amounts falling after more than one year	13		(3,085,371)		(3,085,371)
Total net assets			<u>(1,161,936)</u>		<u>(978,031)</u>
The funds of the Charity:					
Unrestricted funds			(1,161,936)		(978,031)
Total Charity funds			<u>(1,161,936)</u>		<u>(978,031)</u>

The Directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 24 November 2025.

Signed: DK HUFTON-REES
24 November 2025

Dr Daryn K Hufton-Rees
Chair of Trustees
Zinc Arts
Company Registered No: 02866315

Signed: V KAYE
24 November 2025

Victoria Kaye
Trustee
Zinc Arts



1 Accounting Policies

Zinc Arts is a charitable company ('Charity') limited by guarantee and is incorporated in England and Wales. The registered office address and principal place of business is Great Stony, High Street, Chipping Ongar, Essex, CM5 0AD.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The functional currency is the British Pound.

b) Public benefit entity

The Charity meets the definition of a public benefit entity under FRS 102.

c) Going concern

The financial statements have been prepared on the going concern basis, although the Charity has net current liabilities, excluding loans, of £105,085 (2024 - £97,876) and long-term loans of £3,085,371 (2024 - £3,085,371).

The going concern basis assumes that the Charity will continue in operational existence for the foreseeable future and reflects the Trustees' belief that the Charity will continue to generate sufficient cash flows to meet its liabilities as they fall due.

The financial viability of the Charity remains dependent on maintaining the current level of income, and on the forbearance of the lenders referred to in note 13 to the accounts. Whilst there are no formal agreements to this effect, the Trustees have a reasonable expectation that this forbearance will continue for a period of at least twelve months from the date of signing these accounts.

If for any reason the current level of income or financing was not available, the Charity would need to seek alternative sources of income to ensure its continuation as a going concern.

The financial statements do not include the adjustments which would result if the Charity was unable to continue as a going concern.

d) Income

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

Donations, grants and funds received for specific projects and subject to specific wishes of the donors are credited to the relevant restricted fund. When donors specify that donations and grants given to the Charity must be used in future accounting periods, the income is deferred until those periods.

Building income is included in the period to which it relates and includes the renting of accommodation provided, hiring of facilities and other services available within the building to the public and project.

Zinc Arts

Notes to the Financial Statements

For the year ended 31 March 2025

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the Charity has received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Fund accounting

Unrestricted funds are donations and other incoming resources received for charitable purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements.

g) 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:

Charitable activity costs are those incurred directly in support of the objects of the charity.

In the view of the Trustees the charity has only one activity, as outlined in the Trustees' report.

h) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity, for Governance costs, one of the support costs, are the costs associated with the governance arrangements of the Charity. These costs relate to constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities as well as professional fees.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the SOFA.

k) Tangible fixed assets

Assets over £500 are capitalised at cost. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Leasehold improvements	27.5 years (amended from 135 years at 31 March 2019)
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Fixtures, Fittings, Equipment	10% straight line
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The depreciation charge is shown separately on the SOFA in view of its magnitude and the fact that it is a non-cash cost resulting from historical expenditure. This presentation has been adopted to give a fair representation of the charity's current financial performance.

l) Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2025

m) 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.

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. They are held to meet short term cash commitments as they fall due.

n) 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.

o) Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities in the appropriate year.

Rentals under operating leases are charged to the Statement of Financial Activities in the period to which they relate.

p) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the year ended 31 March 2019 the Trustees reviewed the depreciation policy relating to the leasehold improvements and concluded that a life of 27.5 years was more appropriate than the 135 years being employed. Appropriate adjustments were made in the 2018/19 accounts and subsequent depreciation charges reflect the revised estimate.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2025

2 Donations, legacies and grants

	2025			2024		
	Unrestricted funds £	Restricted funds £	Total Funds £	Unrestricted funds £	Restricted funds £	Total Funds £
Donations	1,391	-	1,391	796	-	796
Grants	27,355	-	27,355	17,030	-	17,030
	28,746	-	28,746	17,826	-	17,826

3 Income from charitable activities

	2025			2024		
	Unrestricted funds £	Restricted funds £	Total Funds £	Unrestricted funds £	Restricted funds £	Total Funds £
Contracts and Fees	410,426	-	410,426	306,797	-	306,797
	410,426	-	410,426	306,797	-	306,797

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2025

4. Analysis of expenditure on charitable activities

	2025			2024		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
	£	£	£	£	£	£
Staffing	226,512	-	226,512	195,388	-	195,388
Other direct costs	24,664	-	24,664	9,600	-	9,600
	251,176	-	251,176	204,988	-	204,988
Support costs (note 5)	268,563	-	268,563	215,708	-	215,708
	519,739	-	519,739	420,696	-	420,696

During the year the Charity had one class of activity, to promote the creativity, culture and heritage of disabled people and socially-excluded groups for the benefit of all.

5. Analysis of support costs

	2025			2024		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
	£	£	£	£	£	£
Governance (see below for analysis)	4,200	-	4,200	4,393	-	4,393
Interest	38,205	-	38,205	30,678	-	30,678
Other	226,158	-	226,158	180,637	-	180,637
Total	268,563	-	268,563	215,708	-	215,708

Governance costs are made up of:

Independent examination fees	4,200	-	4,200	4,000	-	4,000
Other legal and professional fees	-	-	-	393	-	393
	4,200	-	4,200	4,393	-	4,393

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2025

6	Net income for the period	2025 £	2024 £
	This is stated after charging:		
	Depreciation - annual charge	155,972	155,792
	Independent Examination fee	4,200	4,000
		<u> </u>	<u> </u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:	£	£
Wages and salaries	211,247	183,087
Social security costs	11,265	8,778
Pension costs	3,999	3,523
	<u>226,512</u>	<u>195,388</u>

The average number of employees during the year was (2024 - 9)

No employee received remuneration amounting to more than £60,000 in either year.

The cost of senior management personnel was £Nil (2024 - £Nil)

The Charity's Trustees were not paid and did not receive any benefits from employment with the Charity in the year (2024 - £Nil). During the year the Trustees received reimbursement of expenses of £21,652 (2024 - £21,649). No Charity Trustee received payment for professional or other services supplied to the Charity (2024 - £Nil).

8 Taxation

The Charity is exempt from Corporation Tax as all its income is charitable and is applied for charitable purposes.

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2025

9 Tangible Fixed Assets

	Leasehold improve- ments £	Fixtures, Fittings and Equipment £	Total £
Cost			
At the start of the year	4,289,237	658,989	4,948,226
Additions during the year	-	-	-
At the end of the year	<u>4,289,237</u>	<u>658,989</u>	<u>4,948,226</u>
Depreciation			
At the start of the year	1,922,809	658,989	2,581,798
Charge for the year	155,972	-	155,972
At the end of the year	<u>2,078,781</u>	<u>658,989</u>	<u>2,737,770</u>
Net book value			
At the end of the year	<u>2,210,456</u>	<u>-</u>	<u>2,210,456</u>
At the beginning of the year	<u>2,366,428</u>	<u>-</u>	<u>2,366,428</u>

10 Debtors

	2025 £	2024 £
Trade debtors	49,624	31,134
Other debtors	-	-
Prepayments and accrued income	-	-
	<u>49,624</u>	<u>31,134</u>

11. Current asset investments

COIF Fixed interest fund	1,157	1,157
	<u>1,157</u>	<u>1,157</u>

During the year there was no change in the fund value (2024 - £Nil).

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2025

12 Creditors: amounts falling due within one year

	2025	2024
	£	£
Bank overdrafts	6,319	6,319
Trade creditors	33,143	55,462
Accruals and deferred income	67,984	35,384
Other taxation and social security	49,767	35,980
Other creditors	8,017	7,179
Other loan (see note 13)	177,279	161,212
	<u>342,509</u>	<u>301,536</u>

13 Creditors: amounts falling due after more than one year

	2025	2024
	£	£
Futurebuilders Loan 1	1,714,866	1,714,866
Futurebuilders Loan 2	1,313,005	1,313,005
Bridging Loan S.I.B	57,500	57,500
Other loan	-	-
	<u>3,085,371</u>	<u>3,085,371</u>

The Futurebuilders and S.I.B. loans are secured by way of a fixed charge over the Charity's long leasehold property.

The loan agreement provides for the loans to be repaid over a period of 25 years at an interest rate of 6%. However, interest and repayment holidays have been formally granted until 31st May 2022 and the Trustees assume the repayment holiday is ongoing.

The amount shown under "other loans" represents a loan from an employee. The loan carries an interest rate of 19.9% and was repayable by instalments between 11 July 2019 and 30 May 2021. With the agreement of the lender, the repayment period has been significantly extended. The lender has indicated flexibility as to the repayment schedule in order to support the Charity's cashflow, and will cap the amount of interest chargeable on the loan.

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2025

14 Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	At the end of the year £
Current Year				
General Funds	(979,187)	491,806	(675,711)	(1,163,092)
Designated fund	1,156	-	-	1,156
Total - unrestricted funds	<u>(978,031)</u>	<u>491,806</u>	<u>(675,711)</u>	<u>(1,161,936)</u>
Prior Period				
General Funds	(774,482)	371,973	(576,668)	(979,177)
Designated fund	1,156	-	-	1,156
Total - unrestricted funds	<u>(773,326)</u>	<u>371,973</u>	<u>(576,668)</u>	<u>(978,021)</u>

The designated fund comprises amounts set aside for capital repairs and renewals and is held in the COIF Investment fund see note 11.

15 Reconciliation of net income to net cash flow from operating activities

	2025 £	2024 £
Net income for the reporting period	(183,905)	(204,705)
Depreciation charges	155,972	155,972
Decrease (Increase) in debtors	(18,490)	(5,244)
Increase (Decrease) in creditors	40,973	54,928
Net cash provided by operating activities	<u>(5,450)</u>	<u>951</u>

16 Analysis of cash and cash equivalents

	£	£
Cash at bank and in hand	4,707	10,157
Bank overdrafts	(6,319)	(6,319)
Total cash and cash equivalents	<u>(1,612)</u>	<u>3,838</u>

Zinc Arts

Independent Examiner's Report - 31 March 2025

Report to the Trustees of Zinc Arts on the financial statements of the Charitable Company ("the Company") for the year ended 31 March 2025 set out on pages 4 to 15.

Responsibilities and basis of report

I report to the Charity's Trustees on my examination of the accounts of the Company for the year ended 31 March 2025.

As the Trustees of the Company (and also the Directors of the Company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in, any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: DA EATON

24 November 2025

David A Eaton FCA

Eaton & Co

Chartered Accountants and Consultants

The Cedars, School Lane, Great Barton, Bury St Edmunds, Suffolk IP31 2RQ

ZINC ARTS

England & Wales - Charity number 1035444

Accounts

Zinc Arts

**Trustees Report
for the year ended
31 March 2024**

Registered Charity number: 1035444

Company number: 02866315

INTRODUCTION

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) have pleasure in submitting their annual report together with the financial statements of Zinc Arts (the company) for the year ended 31st March 2024.

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).

Directors/ Trustees

The Trustees, who are also Directors of the company who acted throughout the year, are Dr Daryn Hufton-Rees and Victoria Kaye, Jamie Macleod was appointed in November 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

Zinc (Company number 02866315) was incorporated on 27th October 1993 and is a charitable company limited by the guarantees of the members to a maximum of £10 each. The company is a registered charity (number 1035444). The company gained charitable status on 22nd March 1994. It changed its name from Theatre Resource to Zinc Arts with The Charity Commission and Companies House on 22nd November 2012.

b. SPECIFIC INSTRUCTIONS

There are no specific instructions relating to the operation of the charity, nor are there any specific investment powers.

c. GOVERNANCE

In 2023-2024 the Charity comprised a membership of 3 individuals committed to supporting the aspirations of the organisation. The constitution stipulates that Members are automatically elected to a Board of Directors/Trustees to run the affairs of the organisation. When an individual resigns their position on the Board of Directors/Trustees their membership of the organisation ceases.

The Trustees are responsible for formulating the strategy and policies for Zinc and may meet at such times and regulate its meetings as it sees fit. In 2023 - 2024, the Trustees spoke regularly, to steer the organisation through the tough financial climate and support the CEO and the organization.

d. RECRUITMENT, APPOINTMENT AND ELECTION OF TRUSTEES

The Board identifies and regularly reviews the skills of existing Board Members and any needs of the Board which are not being met by the current membership.

Recruitment is through:

- Targeting individuals known to Zinc;
- Advertising for applicants through the media and other sources; and
- Utilising board 'banks', etc. maintained by support bodies.

Recruitment is not limited to within the arts, education or social care field, but reflects the varied needs of the organisation. Whilst specific skills may be sought (for example in relation to regular skill

audits undertaken by the Board) enthusiasm and vision may also be considered equally valuable.

The Board has established procedures for recruiting and appointing Board members, including initial identification of potential candidates, informal visits or discussions, formal application and interview, consideration by the full board and, finally, election by a majority of votes.

In 2024-25 Zinc will continue to look to appoint new members to the board to increase the support to the organisation. This process started in 2022-23 and came to fruition with Jamie Mcloed proving a valuable addition. A skills audit will be undertaken to identify areas for improvement and then Zinc will look to appoint members who can fill these gaps.

e POLICIES AND PROCEDURES FOR THE INDUCTION AND TRAINING OF TRUSTEES

Zinc is committed to a full induction and ongoing training of Trustees. A comprehensive induction pack and standing orders are in place and are regularly updated to ensure compliance with company and charity law.

f RISK MANAGEMENT

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

OBJECTIVES AND ACTIVITIES

a. COMPANY OBJECTIVES

The objective of Zinc, as stated in the Memorandum and Articles of Association, is to 'advance education for the public benefit through the promotion of the arts, particularly but not exclusively for disabled and disadvantaged people'.

Whilst this is still relevant, following on from a post pandemic review, we feel Zinc offers so much more than this. Therefore, we are actively looking to update our constitution to encompass all the wonderful work we do.

We treat disabled people as a core part of the community, and feel it is inappropriate to have disability as a separate strand, as we offer services for the community as a whole without distinction.

b. ACHIEVEMENT OF OBJECTIVES

Zinc works to promote the creativity, culture and heritage of disabled people and socially-excluded groups for the benefit of all. In our work, we seek to:

- Generate pathways within the arts;
- Stimulate high-quality, diverse and experimental project work;
- Provide lifelong learning, training and employment opportunities;
- Create platforms for the exploration and representation of the cultures and neglected histories of excluded groups;
- Celebrate Diversity
- Champion Wellbeing
- Initiate informed debate and influence policymaking;
- Foster enabling environments; and
- Advance inclusiveness, accessibility and equality in the wider arts environment, and in the communities in which we live.
- Provide accommodation for both respite and short term tenancies.

c. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. Whilst Zinc undertakes work funded by grants and commissions from funding agencies, fees are charged to individual beneficiaries to help cover operating costs. Where fees are charged, in setting the level of fees, charges and concessions, the trustees always consider accessibility of activities for those on low incomes and living on benefits.

The Charity's public benefit during the year is demonstrated by the activities undertaken in 2022-2023

d. ACTIVITIES UNDERTAKEN IN 2023-2024

Zinc continued its current activities with core participatory groups, including D/deaf people, participants with mental health needs, physical and/or sensory impairments, multiple and profound learning difficulties and/or with experience of other forms of social exclusion.

In previous years Zinc suffered difficult financial outcomes, and as a result in 2023-24 continued to focus on those activities which would contribute to the delivery of its charitable objectives whilst at the same time generating funds to ensure the ongoing repair of the financial position.

Activities delivered include the following:

Tolpuddle House Programme

2023/24 saw the continued support to the service users of Tolpuddle House, the housing and associated employment and training programme for vulnerable adults living on site in accommodation managed by L&Q. Nine adults received supported living and associated education, training and volunteering opportunities.

Tenants gain skills and learn to live independently with the aim of being offered a flat of their own. They attend the Aspire Learning programme at Zinc to gain skills they will need to become more independent, such as Employability.

Health Wellbeing and Focus Centre

Working in partnership with Epping Forest District Council we offer accommodation to people who would otherwise be homeless.

These people are housed in our facilities on licence and we offer support, training and use of our services until permanent accommodation becomes available and they move into their new home.

Aspire Learning

Formally named AQA and The Biz but rebranded In January 2020, the courses delivered are Artbox, Stepping Stones, Perform, Reflect and Elevate.

The courses are designed for adults 16+ as an alternative to college for people who would struggle at a mainstream college

Participants gain an accreditation at the end of the course.

Respite Weekend

Groups of 6 - 9 participants usually with high dependency needs, who come to Zinc to have fun and interact with people of their own age, giving parents and regular carers a break whilst they are on respite.

In 2023-24 these have become monthly events and are hugely popular,

Ongar Youth Hub

Zinc runs the local Youth Hub in Ongar which is run in partnership with the Youth Service and Essex County Council. A range of activities are on offer including cooking, games, music, dance and the provision of a safe space for children to hang out.

e. OTHER ACTIVITIES AT ZINC'S ARTS CENTRE BASE

Zinc uses its facilities to make possible a wide array of activities which are of direct benefit to the local community:

- Regular hirers of rooms deliver a range of services, including exercise classes of various types, baby, singing and cookery classes, and counselling groups.
- The gym (not run by Zinc) is available to local community groups and participants of Zinc.
- Academy Arts run a Theatre School, deliver showcases throughout the year and run a pantomime at Christmas in Zinc.
- Various workshops, holiday clubs and other social activities are delivered within the building.

f. SIGNIFICANT CHANGES IN ACTIVITIES

There were no significant changes to activities of the charity during the year.

FINANCIAL REVIEW

a. RESULT FOR THE YEAR

Zinc incurs a substantial depreciation charge relating to improvements made to the centre in the years leading up to 2012. This amounted to £155,792 in 2023-24 (155,972 in 2022-23.) These are not cash costs, and the trustees consider it to be appropriate to exclude them from the review of the result for the year.

Excluding this depreciation charge, the result for the year is a deficit of £48,733.

b. GOING CONCERN

As explained in note 1(c) to the accounts, Zinc has the support of its principal loan funders.

c. RESERVES POLICY

The focus of the directors is currently on generating a pre-depreciation operating surplus, to repair the finances of the charity following the difficult years prior to 2017-2018. Accordingly, the organisation does not have a formal reserves policy in place, as an absolute level of reserves is not currently the main priority. The establishment of a formal policy will be revisited when it is appropriate to do so.

PLANS FOR THE FUTURE

Zinc's priorities for the next 12 months are as follows:

- Continue to increase exposure and awareness both in the local area and wider community. This would increase footfall, bookings and participants on our courses.
- Continue to grow our Aspire learning programme. – The last 12 months have seen moderate growth, but we would like to expand further and reach even more participants to help them develop their skills and confidence.
- If the first two points are achieved this would provide an opportunity to increase support / administration staff levels.
- Continue our relationship with Essex County Council and the Youth Service making sure Ongar has a variety of activities for the local children to access.
- Support the local community by being a vibrant, welcoming and forward-thinking organisation with initiatives such as being a warm hub.
- Reduce the amount owed to creditors and secure the financial position.
- Look to build a reserve fund to fall back on in case of financial uncertainty.

TRUSTEES' RESPONSIBILITIES STATEMENT

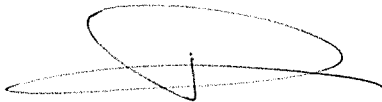
The Trustees (who are also directors of Zinc Arts for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the 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 these financial statements, the Trustees are required to:

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

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

signed on their behalf by



26-11-24

DK Hufton-Rees
Trustee
26th November 2024

Zinc Arts

**Financial Statements
for the year ended
31 March 2024**

Registered Charity number: 1035444

Company number: 02866315

Zinc Arts

Financial statements for the year ended 31 March 2024

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Directors/Trustees*

Dr Daryn Kenneth Hufton-Rees
Victoria Kaye
Jamie Macloed - Appointed 23 November 2023

** Trustees of the Charity are also known as Directors of the Company.*

The accompanying Trustees' Report includes the information required for the Directors' Report required by company law.

Zinc Arts

Independent Examiner's Report - 31 March 2024

Report to the Trustees of Zinc Arts on the financial statements of the Charitable Company ("the Company") for the year ended 31 March 2024 set out on pages 4 to 15.

Responsibilities and basis of report

I report to the Charity's Trustees on my examination of the accounts of the Company for the year ended 31 March 2024.

As the Trustees of the Company (and also the Directors of the Company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

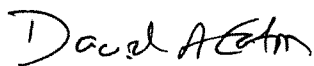
Independent examiner's statement

The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in, any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Signed: DA EATON

26 November 2024

David A Eaton FCA

Eaton & Co

Chartered Accountants and Consultants

The Cedars, School Lane, Great Barton, Bury St Edmunds, Suffolk IP31 2RQ

Zinc Arts

Statement of Financial Activities (including income and expenditure account)

For the year ended 31 March 2024

	Note	2024			2023		
		Unrestricted funds	Restricted Funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
		£		£	£		£
Income:							
Donations, legacies and grants	2	17,826	-	17,826	34,357	-	34,357
Income from charitable activities	3	306,797	-	306,797	268,946	-	268,946
Other incoming resources		47,340	-	47,340	40,758	-	40,758
Total income		371,963	-	371,963	344,061	-	344,061
Expenditure on:							
Charitable activities	4	420,696	-	420,696	358,280	-	358,280
Total expenditure		420,696	-	420,696	358,280	-	358,280
Net income (expenditure) before depreciation and revaluations		(48,733)	-	(48,733)	(14,219)	-	(14,219)
Depreciation		(155,972)		(155,972)	(155,972)		(155,972)
Gains and losses on revaluations of investment assets		-	-	-	-	-	-
Net (expenditure) and net movement in funds for the year		(204,705)	-	(204,705)	(170,191)	-	(170,191)
Reconciliation of funds:							
Total funds brought forward		(773,326)	-	(773,326)	(603,135)	-	(603,135)
Total funds carried forward		(978,031)	-	(978,031)	(773,326)	-	(773,326)

All of the above results are derived from continuing activities. There were no other recognised gains or losses during the year.

Zinc Arts
Balance Sheet
For the year ended 31 March 2024

		<u>2024</u>		<u>2023</u>	
	Note	£	£	£	£
Fixed assets:					
Tangible assets	9		2,366,428		2,522,400
			<u>2,366,428</u>		<u>2,522,400</u>
Current assets:					
Debtors	10	31,134		18,889	
Investments	11	1,157		1,157	
Cash at bank and in hand		10,157		9,207	
		<u>42,448</u>		<u>29,253</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	301,536		239,609	
Net current liabilities			(259,088)		(210,355)
Total assets less current liabilities			<u>2,107,340</u>		<u>2,312,045</u>
Creditors: amounts falling after more than one year	13		(3,085,371)		(3,085,371)
Total net assets			<u>(978,031)</u>		<u>(773,326)</u>
The funds of the Charity:					
Unrestricted funds			(978,031)		(773,326)
Total Charity funds			<u>(978,031)</u>		<u>(773,326)</u>

The Directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

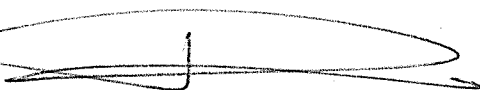
The Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 26 November 2024.

Signed: DK HUFTON-REES
26 November 2024



26-11-24

Dr Daryn K Hufton-Rees
Chair of Trustees
Zinc Arts
Company Registered No: 02866315

1 Accounting Policies

Zinc Arts is a charitable company ('Charity') limited by guarantee and is incorporated in England and Wales. The registered office address and principal place of business is Great Stony, High Street, Chipping Ongar, Essex, CM5 0AD.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The functional currency is the British Pound.

b) Public benefit entity

The Charity meets the definition of a public benefit entity under FRS 102.

c) Going concern

The financial statements have been prepared on the going concern basis, although the Charity has net current liabilities, excluding loans, of £97,876 (2023 - £63,926) and long-term loans of £3,085,371 (2021 - £3,085,371).

The going concern basis assumes that the Charity will continue in operational existence for the foreseeable future and reflects the Trustees' belief that the Charity will continue to generate sufficient cash flows to meet its liabilities as they fall due.

The financial viability of the Charity remains dependent on maintaining the current level of income, and on the forbearance of the lenders referred to in note 13 to the accounts. Whilst there are no formal agreements to this effect, the Trustees have a reasonable expectation that this forbearance will continue for a period of at least twelve months from the date of signing these accounts.

If for any reason the current level of income or financing was not available, the Charity would need to seek alternative sources of income to ensure its continuation as a going concern.

The financial statements do not include the adjustments which would result if the Charity was unable to continue as a going concern.

d) Income

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

Donations, grants and funds received for specific projects and subject to specific wishes of the donors are credited to the relevant restricted fund. When donors specify that donations and grants given to the Charity must be used in future accounting periods, the income is deferred until those periods.

Building income is included in the period to which it relates and includes the renting of accommodation provided, hiring of facilities and other services available within the building to the public and project.

Zinc Arts

Notes to the Financial Statements

For the year ended 31 March 2024

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the Charity has received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Fund accounting

Unrestricted funds are donations and other incoming resources received for charitable purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements.

g) 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:

Charitable activity costs are those incurred directly in support of the objects of the charity.

In the view of the Trustees the charity has only one activity, as outlined in the Trustees' report.

h) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity, for Governance costs, one of the support costs, are the costs associated with the governance arrangements of the Charity. These costs relate to constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities as well as professional fees.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the SOFA.

k) Tangible fixed assets

Assets over £500 are capitalised at cost. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Leasehold improvements	27.5 years (amended from 135 years at 31 March 2019)
------------------------	--

Fixtures, Fittings, Equipment	10% straight line
-------------------------------	-------------------

The depreciation charge is shown separately on the SOFA in view of its magnitude and the fact that it is a non-cash cost resulting from historical expenditure. This presentation has been adopted to give a fair representation of the charity's current financial performance.

l) Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2024

m) 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.

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. They are held to meet short term cash commitments as they fall due.

n) 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.

o) Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities in the appropriate year.

Rentals under operating leases are charged to the Statement of Financial Activities in the period to which they relate.

p) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the year ended 31 March 2019 the Trustees reviewed the depreciation policy relating to the leasehold improvements and concluded that a life of 27.5 years was more appropriate than the 135 years being employed. Appropriate adjustments were made in the 2018/19 accounts and subsequent depreciation charges reflect the revised estimate.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2024

2 Donations, legacies and grants

	2024			2023		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
	£	£	£	£	£	£
Donations	796	-	796	7,142	-	7,142
Grants	17,030	-	17,030	27,215	-	27,215
	17,826	-	17,826	34,357	-	34,357

3 Income from charitable activities

	2024			2023		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
	£	£	£	£	£	£
Contracts and Fees	306,797	-	306,797	268,946	-	268,946
	306,797	-	306,797	268,946	-	268,946

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2024

4. Analysis of expenditure on charitable activities

	2024			2023		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
	£	£	£	£	£	£
Staffing	195,388	-	195,388	167,220	-	167,220
Other direct costs	9,600	-	9,600	6,986	-	6,986
	204,988	-	204,988	174,206	-	174,206
Support costs (note 5)	215,708	-	215,708	184,074	-	184,074
	420,696	-	420,696	358,280	-	358,280

During the year the Charity had one class of activity, to promote the creativity, culture and heritage of disabled people and socially-excluded groups for the benefit of all.

5. Analysis of support costs

	2024			2023		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
	£	£	£	£	£	£
Governance (see below for analysis)	4,393	-	4,393	4,726	-	4,726
Interest	30,678	-	30,678	28,710	-	28,710
Other	180,637	-	180,637	150,638	-	150,638
	215,708	-	215,708	184,074	-	184,074
Total	215,708	-	215,708	184,074	-	184,074

Governance costs are made up of:						
Independent examination fees	4,000	-	4,000	3,500	-	3,500
Other legal and professional fees	393	-	393	1,226	-	1,226
	4,393	-	4,393	4,726	-	4,726

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2024

6	Net income for the period	2024	2023
		£	£
	This is stated after charging:		
	Depreciation - annual charge	155,792	155,972
	Independent Examination fee	4,000	3,500

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:	£	£
Wages and salaries	183,087	156,494
Social security costs	8,778	7,841
Pension costs	3,523	2,885
	195,388	167,220

The average number of employees during the year was 9 (2023 - 8)

No employee received remuneration amounting to more than £60,000 in either year.

The cost of senior management personnel was £Nil (2023 - £Nil)

The Charity's Trustees were not paid and did not receive any benefits from employment with the Charity in the year (2023 - £Nil). During the year the Trustees received reimbursement of expenses of £21,649 (2023 - £21,600). No Charity Trustee received payment for professional or other services supplied to the Charity (2023 - £Nil).

8 Taxation

The Charity is exempt from Corporation Tax as all its income is charitable and is applied for charitable purposes.

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2024

9 Tangible Fixed Assets

	Leasehold improve- ments £	Fixtures, Fittings and Equipment £	Total £
Cost			
At the start of the year	4,289,237	658,989	4,948,226
Additions during the year	-	-	-
At the end of the year	<u>4,289,237</u>	<u>658,989</u>	<u>4,948,226</u>
Depreciation			
At the start of the year	1,766,837	658,989	2,425,826
Charge for the year	155,972	-	155,972
At the end of the year	<u>1,922,809</u>	<u>658,989</u>	<u>2,581,798</u>
Net book value			
At the end of the year	<u>2,366,428</u>	<u>-</u>	<u>2,366,428</u>
At the beginning of the year	<u>2,522,400</u>	<u>-</u>	<u>2,522,400</u>

10 Debtors

	2024 £	2023 £
Trade debtors	31,134	18,889
Other debtors	-	-
Prepayments and accrued income	-	-
	<u>31,134</u>	<u>18,889</u>

11. Current asset investments

COIF Fixed interest fund	<u>1,157</u>	<u>1,157</u>
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During the year there was no change in the fund value (2023 - £Nil).

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2024

12 Creditors: amounts falling due within one year

	2024	2023
	£	£
Bank overdrafts	6,319	6,319
Trade creditors	55,462	39,876
Accruals and deferred income	35,384	20,985
Other taxation and social security	35,980	18,369
Other creditors	7,179	7,451
Other loan (see note 13)	161,212	146,609
	<u>301,536</u>	<u>239,609</u>

13 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Futurebuilders Loan 1	1,714,866	1,714,866
Futurebuilders Loan 2	1,313,005	1,313,005
Bridging Loan S.I.B	57,500	57,500
Other loan	-	-
	<u>3,085,371</u>	<u>3,085,371</u>

The Futurebuilders and S.I.B. loans are secured by way of a fixed charge over the Charity's long leasehold property.

The loan agreement provides for the loans to be repaid over a period of 25 years at an interest rate of 6%. However, interest and repayment holidays have been formally granted until 31st May 2022 and the Trustees assume the repayment holiday is ongoing.

The amount shown under "other loans" represents a loan from an employee. The loan carries an interest rate of 19.9% and was repayable by instalments between 11 July 2019 and 30 May 2021. With the agreement of the lender, the repayment period has been significantly extended. The lender has indicated flexibility as to the repayment schedule in order to support the Charity's cashflow, and will cap the amount of interest chargeable on the loan.

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2024

14 Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	At the end of the year £
Current Year				
General Funds	(774,482)	371,963	(576,668)	(979,187)
Designated fund	1,156	-	-	1,156
Total - unrestricted funds	<u>(773,326)</u>	<u>371,963</u>	<u>(576,668)</u>	<u>(978,031)</u>
Prior Period				
General Funds	(604,291)	344,061	(514,252)	(774,482)
Designated fund	1,156	-	-	1,156
Total - unrestricted funds	<u>(603,135)</u>	<u>344,061</u>	<u>(514,252)</u>	<u>(773,326)</u>

The designated fund comprises amounts set aside for capital repairs and renewals and is held in the COIF Investment fund see note 11.

15 Reconciliation of net income to net cash flow from operating activities

	2024 £	2023 £
Net income for the reporting period	(204,705)	(170,191)
Depreciation charges	155,972	155,972
Decrease (Increase) in debtors	(5,244)	2,456
Increase (Decrease) in creditors	54,928	19,718
Net cash provided by operating activities	<u>951</u>	<u>7,955</u>

16 Analysis of cash and cash equivalents

	£	£
Cash at bank and in hand	10,157	9,207
Bank overdrafts	(6,319)	(6,319)
Total cash and cash equivalents	<u>3,838</u>	<u>2,888</u>

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2024

17 Capital commitments

At the balance sheet date, there were no capital commitments (2023: £Nil).

18 Contingent assets or liabilities

At the balance sheet date, there were no contingent assets or liabilities (2023: £Nil).

19 Related party transactions

Trustees received reimbursement of expenditure in respect of the Charity's activities during the current year - see note 7.

20 Legal status of the charity

The Charity is a company limited by guarantee and has no share capital. The company is incorporated in England and Wales - registration number 02866315. The liability of each member in the event of winding up is limited to £10.

The registered office of the Charity is Great Stony, High Street, Chipping Ongar, Essex CM5 0AD.

Zinc Arts

Independent Examiner's Report - 31 March 2024

Report to the Trustees of Zinc Arts on the financial statements of the Charitable Company ("the Company") for the year ended 31 March 2024 set out on pages 4 to 15.

Responsibilities and basis of report

I report to the Charity's Trustees on my examination of the accounts of the Company for the year ended 31 March 2024.

As the Trustees of the Company (and also the Directors of the Company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

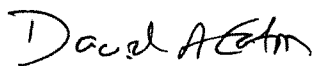
Independent examiner's statement

The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in, any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Signed: DA EATON

26 November 2024

David A Eaton FCA

Eaton & Co

Chartered Accountants and Consultants

The Cedars, School Lane, Great Barton, Bury St Edmunds, Suffolk IP31 2RQ

ZINC ARTS

England & Wales - Charity number 1035444

Accounts

Zinc Arts

**Trustees Report
for the year ended
31 March 2023**

Registered Charity number: 1035444

Company number: 02866315

INTRODUCTION

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) have pleasure in submitting their annual report together with the financial statements of Zinc Arts (the company) for the year ended 31st 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).

Directors/ Trustees

The Trustees, who are also Directors of the company who acted throughout the year, are Dr Daryn Hufton-Rees and Victoria Kaye. Jamie Macleod was appointed in November 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

Zinc (Company number 02866315) was incorporated on 27th October 1993 and is a charitable company limited by the guarantees of the members to a maximum of £10 each. The company is a registered charity (number 1035444). The company gained charitable status on 22nd March 1994. It changed its name from Theatre Resource to Zinc Arts with The Charity Commission and Companies House on 22nd November 2012.

b. SPECIFIC INSTRUCTIONS

There are no specific instructions relating to the operation of the charity, nor are there any specific investment powers.

c. GOVERNANCE

In 2022-2023 the Charity comprised a membership of 2 individuals committed to supporting the aspirations of the organisation. The constitution stipulates that Members are automatically elected to a Board of Directors/Trustees to run the affairs of the organisation. When an individual resigns their position on the Board of Directors/Trustees their membership of the organisation ceases.

The Trustees are responsible for formulating the strategy and policies for Zinc and may meet at such times and regulate its meetings as it sees fit. In 2022 - 2023, the Trustees met quarterly, to steer the organisation through the tough financial climate and support the CEO and the organization.

d. RECRUITMENT, APPOINTMENT AND ELECTION OF TRUSTEES

The Board identifies and regularly reviews the skills of existing Board Members and any needs of the Board which are not being met by the current membership.

Recruitment is through:

- Targeting individuals known to Zinc;
- Advertising for applicants through the media and other sources; and
- Utilising board 'banks', etc. maintained by support bodies.

Recruitment is not limited to within the arts, education or social care field, but reflects the varied needs of the organisation. Whilst specific skills may be sought (for example in relation to regular skill

audits undertaken by the Board) enthusiasm and vision may also be considered equally valuable.

The Board has established procedures for recruiting and appointing Board members, including initial identification of potential candidates, informal visits or discussions, formal application and interview, consideration by the full board and, finally, election by a majority of votes.

In 2023-24 Zinc will continue to look to appoint new members to the board to increase the support to the organisation. This process started in 2022-23 and is progressing positively. A skills audit will be undertaken to identify areas for improvement and then Zinc will look to appoint members who can fill these gaps.

e POLICIES AND PROCEDURES FOR THE INDUCTION AND TRAINING OF TRUSTEES

Zinc is committed to a full induction and ongoing training of Trustees. A comprehensive induction pack and standing orders are in place and are regularly updated to ensure compliance with company and charity law.

f RISK MANAGEMENT

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

OBJECTIVES AND ACTIVITIES

a. COMPANY OBJECTIVES

The objective of Zinc, as stated in the Memorandum and Articles of Association, is to 'advance education for the public benefit through the promotion of the arts, particularly but not exclusively for disabled and disadvantaged people'.

Whilst this is still relevant, following on from a post pandemic review, we feel Zinc offers so much more than this. Therefore, we are actively looking to update our constitution to encompass all the wonderful work we do.

We treat disabled people as a core part of the community, and feel it is inappropriate to have disability as a separate strand, as we offer services for the community as a whole without distinction.

b. ACHIEVEMENT OF OBJECTIVES

Zinc works to promote the creativity, culture and heritage of disabled people and socially-excluded groups for the benefit of all. In our work, we seek to:

- Generate pathways within the arts;
- Stimulate high-quality, diverse and experimental project work;
- Provide lifelong learning, training and employment opportunities;
- Create platforms for the exploration and representation of the cultures and neglected histories of excluded groups;
- Celebrate Diversity
- Champion Wellbeing
- Initiate informed debate and influence policymaking;
- Foster enabling environments; and
- Advance inclusiveness, accessibility and equality in the wider arts environment, and in the communities in which we live.
- Provide accommodation for both respite and short term tenancies.

c. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. Whilst Zinc undertakes work funded by grants and commissions from funding agencies, fees are charged to individual beneficiaries to help cover operating costs. Where fees are charged, in setting the level of fees, charges and concessions, the trustees always consider accessibility of activities for those on low incomes and living on benefits.

The Charity's public benefit during the year is demonstrated by the activities undertaken in 2022-2023

d. ACTIVITIES UNDERTAKEN IN 2022-2023

Zinc's activities returned to pre pandemic levels during the 2022-23 financial year.

Zinc continued its current activities with core participatory groups, including D/deaf people, participants with mental health needs, physical and/or sensory impairments, multiple and profound learning difficulties and/or with experience of other forms of social exclusion.

In previous years Zinc suffered difficult financial outcomes, and as a result in 2022-23 continued to focus on those activities which would contribute to the delivery of its charitable objectives whilst at the same time generating funds to ensure the ongoing repair of the financial position.

Activities delivered include the following:

Tolpuddle House Programme

2022/23 saw the continued support to the service users of Tolpuddle House, the housing and associated employment and training programme for vulnerable adults living on site in accommodation managed by L&Q. Nine adults received supported living and associated education, training and volunteering opportunities.

Tenants gain skills and learn to live independently with the aim of being offered a flat of their own. They attend the Aspire Learning programme at Zinc to gain skills they will need to become more independent, such as Employability.

Health Wellbeing and Focus Centre

Working in partnership with Epping Forest District Council we offer accommodation to people who would otherwise be homeless.

These people are housed in our facilities on licence and we offer support, training and use of our services until permanent accommodation becomes available and they move into their new home.

Aspire Learning

Formally named AQA and The Biz but rebranded In January 2020, the courses delivered are Artbox, Stepping Stones, Perform, Reflect and Elevate.

The courses are designed for adults 16+ as an alternative to college for people who would struggle at a mainstream college

Participants gain an accreditation at the end of the course.

Respite Weekend

Groups of 6 - 8 participants usually with high dependency needs, who come to Zinc to have fun and interact with people of their own age, giving parents and regular carers a break whilst they are on respite.

In 2022-23 these have become monthly events and are hugely popular,

Ongar Youth Hub

Zinc runs the local Youth Hub in Ongar which is run in partnership with the Youth Service and Essex County Council. A range of activities are on offer including cooking, games, music, dance and the provision of a safe space for children to hang out.

e. OTHER ACTIVITIES AT ZINC'S ARTS CENTRE BASE

Zinc uses its facilities to make possible a wide array of activities which are of direct benefit to the local community:

- Regular hirers of rooms deliver a range of services, including exercise classes of various types, baby, singing and cookery classes, and counselling groups.
- The cafe (not run by Zinc) is available to local community groups and participants of Zinc.
- Academy Arts run a Theatre School, deliver showcases throughout the year and run a pantomime at Christmas in Zinc.
- Various workshops, holiday clubs and other social activities are delivered within the building.

f. SIGNIFICANT CHANGES IN ACTIVITIES

There were no significant changes to activities of the charity during the year.

FINANCIAL REVIEW

a. RESULT FOR THE YEAR

Zinc incurs a substantial depreciation charge relating to improvements made to the centre in the years leading up to 2012. This amounted to £155,972 in 2022-23 (152,087 in 2021-22.) These are not cash costs, and the trustees consider it to be appropriate to exclude them from the review of the result for the year.

Excluding this depreciation charge, the result for the year is a deficit of £14,219.

b. GOING CONCERN

As explained in note 1(c) to the accounts, Zinc has the support of its principal loan funders.

c. RESERVES POLICY

The focus of the directors is currently on generating a pre-depreciation operating surplus, to repair the finances of the charity following the difficult years prior to 2017-2018. Accordingly, the organisation does not have a formal reserves policy in place, as an absolute

level of reserves is not currently the main priority. The establishment of a formal policy will be revisited when it is appropriate to do so.

PLANS FOR THE FUTURE

Zinc's priorities for the next 12 months are as follows:

- Increase exposure and awareness both in the local area and wider community. This would increase footfall, bookings and participants on our courses.
- Continue to grow our Aspire learning programme. – The last 12 months have seen moderate growth, but we would like to expand further and reach even more participants to help them develop their skills and confidence.
- If the first two points are achieved this would provide an opportunity to increase support / administration staff levels.
- Continue our relationship with Essex County Council and the Youth Service making sure Ongar has a variety of activities for the local children to access.
- Support the local community by being a vibrant, welcoming and forward-thinking organization with initiatives such as being a warm hub and the fact we allow 3Food4U to use our premises for free so local residents have access to a Food Bank during the cost-of-living crisis.
- Rejuvenate and give our building some maintenance – particularly the residential block.
- Secure enough funding and resources to enable us to build our sensory garden.
- Reduce the amount owed to creditors and further secure the financial position.
- Look to build a reserve fund to fall back on in case of financial uncertainty.

TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the 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 these financial statements, the Trustees are required to:

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

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

signed on their behalf by

DK Hufton-Rees
Trustee
23rd November 2023

Zinc Arts

**Financial Statements
for the year ended
31 March 2023**

Registered Charity number: 1035444

Company number: 02866315

Zinc Arts

Financial statements for the year ended 31 March 2023

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Directors/Trustees*

Dr Daryn Kenneth Hufton-Rees
Victoria Kaye

** Trustees of the Charity are also known as Directors of the Company.*

The accompanying Trustees' Report includes the information required for the Directors' Report required by company law.

Zinc Arts

Independent Examiner's Report - 31 March 2023

Report to the Trustees of Zinc Arts on the financial statements of the Charitable Company ("the Company") for the year ended 31 March 2023 set out on pages 4 to 15.

Responsibilities and basis of report

I report to the Charity's Trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

As the Trustees of the Company (and also the Directors of the Company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in, any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: DA EATON

23 November 2023

David A Eaton FCA

Eaton & Co

Chartered Accountants and Consultants

The Cedars, School Lane, Great Barton, Bury St Edmunds, Suffolk IP31 2RQ

Zinc Arts

Statement of Financial Activities (including income and expenditure account)

For the year ended 31 March 2023

	Note	2023			2022		
		Unrestricted funds	Restricted Funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
		£		£	£		£
Income:							
Donations, legacies and grants	2	34,357	-	34,357	55,440	-	55,440
Income from charitable activities	3	268,946	-	268,946	196,522	-	196,522
Other incoming resources		40,758	-	40,758	18,725	-	18,725
Total income		344,061	-	344,061	270,687	-	270,687
Expenditure on:							
Charitable activities	4	358,280	-	358,280	296,443	-	296,443
Total expenditure		358,280	-	358,280	296,443	-	296,443
Net income (expenditure) before depreciation and revaluations		(14,219)	-	(14,219)	(25,756)	-	(25,756)
Depreciation		(155,972)		(155,972)	(152,087)		(152,087)
Gains and losses on revaluations of investment assets		-	-	-	-	-	-
Net (expenditure) and net movement in funds for the year		(170,191)	-	(170,191)	(177,843)	-	(177,843)
Reconciliation of funds:							
Total funds brought forward		(603,135)	-	(603,135)	(425,292)	-	(425,292)
Total funds carried forward		(773,326)	-	(773,326)	(603,135)	-	(603,135)

All of the above results are derived from continuing activities. There were no other recognised gains or losses during the year.

Zinc Arts
Balance Sheet
For the year ended 31 March 2023

		2023		2022	
	Note	£	£	£	£
Fixed assets:					
Tangible assets	9		2,522,400		2,678,372
			<u>2,522,400</u>		<u>2,678,372</u>
Current assets:					
Debtors	10	18,889		21,345	
Investments	11	1,157		1,157	
Cash at bank and in hand		9,207		1,252	
		<u>29,253</u>		<u>23,754</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	239,609		187,292	
Net current liabilities			(210,355)		(163,538)
Total assets less current liabilities			<u>2,312,045</u>		<u>2,514,834</u>
Creditors: amounts falling after more than one year	13		(3,085,371)		(3,117,969)
Total net assets			<u><u>(773,326)</u></u>		<u><u>(603,135)</u></u>
The funds of the Charity:					
Unrestricted funds			(773,326)		(603,135)
Total Charity funds			<u><u>(773,326)</u></u>		<u><u>(603,135)</u></u>

The Directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 23 November 2023.

Signed: DK HUFTON-REES
23 November 2023

Dr Daryn K Hufton-Rees
Chair of Trustees
Zinc Arts
Company Registered No: 02866315

1 Accounting Policies

Zinc Arts is a charitable company ('Charity') limited by guarantee and is incorporated in England and Wales. The registered office address and principal place of business is Great Stony, High Street, Chipping Ongar, Essex, CM5 0AD.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The functional currency is the British Pound.

b) Public benefit entity

The Charity meets the definition of a public benefit entity under FRS 102.

c) Going concern

The financial statements have been prepared on the going concern basis, although the Charity has net current liabilities, excluding loans, of £63,746 (2022 - £123,613) and long-term loans of £3,085,371 (2021 - £3,117,969).

The going concern basis assumes that the Charity will continue in operational existence for the foreseeable future and reflects the Trustees' belief that the Charity will continue to generate sufficient cash flows to meet its liabilities as they fall due.

The financial viability of the Charity remains dependent on maintaining the current level of income, and on the forbearance of the lenders referred to in note 13 to the accounts. Whilst there are no formal agreements to this effect, the Trustees have a reasonable expectation that this forbearance will continue for a period of at least twelve months from the date of signing these accounts.

If for any reason the current level of income or financing was not available, the Charity would need to seek alternative sources of income to ensure its continuation as a going concern.

The financial statements do not include the adjustments which would result if the Charity was unable to continue as a going concern.

d) Income

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

Donations, grants and funds received for specific projects and subject to specific wishes of the donors are credited to the relevant restricted fund. When donors specify that donations and grants given to the Charity must be used in future accounting periods, the income is deferred until those periods.

Building income is included in the period to which it relates and includes the renting of accommodation provided, hiring of facilities and other services available within the building to the public and project.

Zinc Arts

Notes to the Financial Statements

For the year ended 31 March 2023

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the Charity has received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Fund accounting

Unrestricted funds are donations and other incoming resources received for charitable purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements.

g) 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:

Charitable activity costs are those incurred directly in support of the objects of the charity.

In the view of the Trustees the charity has only one activity, as outlined in the Trustees' report.

h) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity, for Governance costs, one of the support costs, are the costs associated with the governance arrangements of the Charity. These costs relate to constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities as well as professional fees.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the SOFA.

k) Tangible fixed assets

Assets over £500 are capitalised at cost. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Leasehold improvements	27.5 years (amended from 135 years at 31 March 2019)
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Fixtures, Fittings, Equipment	10% straight line
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The depreciation charge is shown separately on the SOFA in view of its magnitude and the fact that it is a non-cash cost resulting from historical expenditure. This presentation has been adopted to give a fair representation of the charity's current financial performance.

l) Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

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

m) 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.

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. They are held to meet short term cash commitments as they fall due.

n) 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.

o) Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities in the appropriate year.

Rentals under operating leases are charged to the Statement of Financial Activities in the period to which they relate.

p) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the year ended 31 March 2019 the Trustees reviewed the depreciation policy relating to the leasehold improvements and concluded that a life of 27.5 years was more appropriate than the 135 years being employed. Appropriate adjustments were made in the 2018/19 accounts and subsequent depreciation charges reflect the revised estimate.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

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

2 Donations, legacies and grants

	2023			2022		
	Unrestricted funds £	Restricted funds £	Total Funds £	Unrestricted funds £	Restricted funds £	Total Funds £
Donations	7,142	-	7,142	11,286	-	11,286
<i>Grants:</i>						
Covid related grants	-	-	-	44,154	-	44,154
Other grants	27,215	-	27,215			
	34,357	-	34,357	55,440	-	55,440

3 Income from charitable activities

	2023			2022		
	Unrestricted funds £	Restricted funds £	Total Funds £	Unrestricted funds £	Restricted funds £	Total Funds £
Contracts and Fees	268,946	-	268,946	196,522	-	196,522
	268,946	-	268,946	196,522	-	196,522

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

4. Analysis of expenditure on charitable activities

	2023			2022		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
	£	£	£	£	£	£
Staffing	167,220	-	167,220	117,228	-	117,228
Other direct costs	6,986	-	6,986	3,682	-	3,682
	174,206	-	174,206	120,910	-	120,911
Support costs (note 5)	184,074	-	184,074	175,533	-	175,533
	358,280	-	358,280	296,443	-	296,443

During the year the Charity had one class of activity, to promote the creativity, culture and heritage of disabled people and socially-excluded groups for the benefit of all.

5. Analysis of support costs

	2023			2022		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
	£	£	£	£	£	£
Governance (see below for analysis)	4,726	-	4,726	9,966	-	9,966
Interest	28,710	-	28,710	26,403	-	26,403
Other	150,637	-	150,637	139,164	-	139,164
Total	184,074	-	184,074	175,533	-	175,533

Governance costs are made up of:

Independent examination fees	3,500	-	3,500	9,000	-	9,000
Other legal and professional fees	1,226	-	1,226	966	-	966
	4,726	-	4,726	9,966	-	9,966

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

6	Net income for the period	2023	2022
		£	£
	This is stated after charging:		
	Depreciation - annual charge	155,972	152,087
	Independent Examination fee	3,500	3,500

7 **Analysis of staff costs, trustee remuneration and expenses, and the cost of key**

Staff costs were as follows:	£	£
Wages and salaries	156,494	110,412
Social security costs	7,841	4,664
Pension costs	2,885	2,154
	167,220	117,228

The average number of employees during the year was 8 (2022 - 6)

No employee received remuneration amounting to more than £60,000 in either year.

The cost of senior management personnel was £Nil (2022 - £Nil)

The Charity's Trustees were not paid and did not receive any benefits from employment with the Charity in the year (2022 - £Nil). During the year the Trustees received reimbursement of expenses of £21,600 (2022 - £22,061). No Charity Trustee received payment for professional or other services supplied to the Charity (2021 - £Nil).

8 **Taxation**

The Charity is exempt from Corporation Tax as all its income is charitable and is applied for charitable purposes.

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

9 Tangible Fixed Assets

	Leasehold improve- ments £	Fixtures, Fittings and Equipment £	Total £
Cost			
At the start of the year	4,289,237	658,989	4,948,226
Additions during the year	-	-	-
At the end of the year	<u>4,289,237</u>	<u>658,989</u>	<u>4,948,226</u>
Depreciation			
At the start of the year	1,610,865	658,989	2,269,854
Charge for the year	155,972	-	155,972
At the end of the year	<u>1,766,837</u>	<u>658,989</u>	<u>2,425,826</u>
Net book value			
At the end of the year	<u>2,522,400</u>	<u>-</u>	<u>2,522,400</u>
At the beginning of the year	<u>2,678,372</u>	<u>-</u>	<u>2,678,372</u>

10 Debtors

	2023 £	2022 £
Trade debtors	18,889	21,345
Other debtors	-	-
Prepayments and accrued income	-	-
	<u>18,889</u>	<u>21,345</u>

11. Current asset investments

COIF Fixed interest fund	<u>1,157</u>	<u>1,157</u>
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During the year there was no change in the fund value (2022 - £Nil).

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

12 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank overdrafts	6,319	6,319
Trade creditors	39,876	38,755
Accruals and deferred income	20,984	25,412
Other taxation and social security	18,369	8,483
Other creditors	7,451	10,183
Bridging Loan S.I.B (see note 13)	-	-
Other loan (see note 13)	146,609	98,140
	<u>239,609</u>	<u>187,292</u>

13 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Futurebuilders Loan 1	1,714,866	1,714,866
Futurebuilders Loan 2	1,313,005	1,313,005
Bridging Loan S.I.B	57,500	57,500
Other loan	-	32,598
	<u>3,085,371</u>	<u>3,117,969</u>

The Futurebuilders and S.I.B. loans are secured by way of a fixed charge over the Charity's long leasehold property.

The loan agreement provides for the loans to be repaid over a period of 25 years at an interest rate of 6%. However, interest and repayment holidays have been formally granted until 31st May 2022 and the Trustees assume the repayment holiday is ongoing.

The amount shown under "other loans" represents a loan from an employee. The loan carries an interest rate of 19.9% and was repayable by instalments between 11 July 2019 and 30 May 2021. With the agreement of the lender, the repayment period has been significantly extended. The lender has indicated flexibility as to the repayment schedule in order to support the Charity's cashflow, and will cap the amount of interest chargeable on the loan.

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

14 Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	At the end of the year £
Current Year				
General Funds	(604,291)	344,061	(514,252)	(774,482)
Designated fund	1,156	-	-	1,156
Total - unrestricted funds	<u>(603,135)</u>	<u>344,061</u>	<u>(514,252)</u>	<u>(773,326)</u>
Prior Period				
General Funds	(426,448)	270,687	(448,530)	(604,291)
Designated fund	1,156	-	-	1,156
Total - unrestricted funds	<u>(425,292)</u>	<u>270,687</u>	<u>(448,530)</u>	<u>(603,135)</u>

The designated fund comprises amounts set aside for capital repairs and renewals and is held in the COIF Investment fund see note 11.

15 Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Net income for the reporting period	(170,191)	(177,843)
Depreciation charges	155,972	152,087
Decrease (Increase) in debtors	2,456	(2,284)
Increase (Decrease) in creditors	19,718	25,055
Net cash provided by operating activities	<u>7,955</u>	<u>(2,985)</u>

16 Analysis of cash and cash equivalents

	£	£
Cash at bank and in hand	9,207	1,252
Bank overdrafts	(6,319)	(6,319)
Total cash and cash equivalents	<u>2,888</u>	<u>(5,067)</u>

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

17 Capital commitments

At the balance sheet date, there were no capital commitments (2022: £Nil).

18 Contingent assets or liabilities

At the balance sheet date, there were no contingent assets or liabilities (2022: £Nil).

19 Related party transactions

Trustees received reimbursement of expenditure in respect of the Charity's activities during the current year - see note 7.

20 Legal status of the charity

The Charity is a company limited by guarantee and has no share capital. The company is incorporated in England and Wales - registration number 02866315. The liability of each member in the event of winding up is limited to £10.

The registered office of the Charity is Great Stony, High Street, Chipping Ongar, Essex CM5 0AD.

Zinc Arts

Independent Examiner's Report - 31 March 2023

Report to the Trustees of Zinc Arts on the financial statements of the Charitable Company ("the Company") for the year ended 31 March 2023 set out on pages 4 to 15.

Responsibilities and basis of report

I report to the Charity's Trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

As the Trustees of the Company (and also the Directors of the Company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in, any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: DA EATON

23 November 2023

David A Eaton FCA

Eaton & Co

Chartered Accountants and Consultants

The Cedars, School Lane, Great Barton, Bury St Edmunds, Suffolk IP31 2RQ

ZINC ARTS

England & Wales - Charity number 1035444

Accounts

Zinc Arts

**Trustees Report
for the year ended
31 March 2022**

Registered Charity number: 1035444

Company number: 02866315

INTRODUCTION

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) have pleasure in submitting their annual report together with the financial statements of Zinc Arts (the company) for the year ended 31st March 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Directors/ Trustees

The Trustees, who are also Directors of the company, and acted throughout the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

Zinc (Company number 02866315) was incorporated on 27th October 1993 and is a charitable company limited by the guarantees of the members to a maximum of £10 each. The company is a registered charity (number 1035444). The company gained charitable status on 22nd March 1994. It changed its name from Theatre Resource to Zinc Arts with The Charity Commission and Companies House on 22nd November 2012.

b. SPECIFIC INSTRUCTIONS

There are no specific instructions relating to the operation of the charity, nor are there any specific investment powers.

c. GOVERNANCE

In 2021-2022 the Charity comprised a membership of 2 individuals committed to supporting the aspirations of the organisation. The constitution stipulates that Members are automatically elected to a Board of Directors/Trustees to run the affairs of the organisation. When an individual resigns their position on the Board of Directors/Trustees their membership of the organisation ceases.

The Trustees are responsible for formulating the strategy and policies for Zinc and may meet at such times and regulate its meetings as it sees fit. In 2021 - 2022, the Trustees met remotely, to steer the organisation through the tough financial climate and support the CEO and the organization.

d. RECRUITMENT, APPOINTMENT AND ELECTION OF TRUSTEES

The Board identifies and regularly reviews the skills of existing Board Members and any needs of the Board which are not being met by the current membership

Recruitment is through:

- Targeting individuals known to Zinc;
- Advertising for applicants through the media and other sources; and
- Utilising board 'banks', etc. maintained by support bodies.

Recruitment is not limited to within the arts, education or social care field, but reflects the varied needs of the organisation. Whilst specific skills may be sought (for example in relation to regular skills

audits undertaken by the Board) enthusiasm and vision may also be considered equally valuable.

The Board has established procedures for recruiting and appointing Board members, including initial identification of potential candidates, informal visits or discussions, formal application and interview, consideration by the full Board and, finally, election by a majority of votes.

In 2022 – 2023 Zinc will be looking to appoint new members to the board to increase the support to the organisation. A skills audit will be undertaken to identify areas for improvement and then Zinc will look to appoint members who can fill these gaps.

e POLICIES AND PROCEDURES FOR THE INDUCTION AND TRAINING OF TRUSTEES

Zinc is committed to a full induction and ongoing training of Trustees. A comprehensive induction pack and standing orders are in place and are regularly updated to ensure compliance with company and charity law.

f RISK MANAGEMENT

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

OBJECTIVES AND ACTIVITIES

a. COMPANY OBJECTIVES

The objective of Zinc, as stated in the Memorandum and Articles of Association, is to 'advance education for the public benefit through the promotion of the arts, particularly but not exclusively for disabled and disadvantaged people'.

b. ACHIEVEMENT OF OBJECTIVES

Zinc works to promote the creativity, culture and heritage of disabled people and socially-excluded groups for the benefit of all. In our work, we seek to:

- Generate pathways within the arts;
- Stimulate high-quality, diverse and experimental project work;
- Provide lifelong learning, training and employment opportunities;
- Create platforms for the exploration and representation of the cultures and neglected histories of excluded groups;
- Initiate informed debate and influence policymaking;
- Foster enabling environments; and
- Advance inclusiveness, accessibility and equality in the wider arts environment, and in the communities in which we live.

c. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. Whilst Zinc undertakes work funded by grants and commissions from funding agencies, fees are charged to individual beneficiaries to help cover operating costs. Where fees are charged, in setting the level of fees, charges and concessions, the trustees always consider accessibility of activities for those on low incomes and living on benefits.

The Charity's public benefit during the year is demonstrated by the activities undertaken in 2021-2022..

d. ACTIVITIES UNDERTAKEN IN 2021-2022

Zinc's activities started to pick up during the year after they were severely curtailed in the prior year by the Covid-19 pandemic.

Zinc continued its current activities with core participatory groups, including D/deaf people, participants with mental health needs, physical and/or sensory impairments, multiple and profound learning difficulties and/or with experience of other forms of social exclusion.

In previous years Zinc suffered difficult financial outcomes, and as a result in 2021-22 continued to focus on those activities which would contribute to the delivery of its charitable objectives whilst at the same time generating funds to ensure the ongoing repair of the financial position.

Activities delivered include the following:

Tolpuddle House Programme

2021/22 saw the continued support to the service users of Tolpuddle House, the housing and associated employment and training programme for vulnerable adults living on site in accommodation managed by L&Q. Nine adults received supported living and associated education, training and volunteering opportunities.

Tenants gain skills and learn to live independently with aim of being offered a flat of their own. They attend the Aspire Learning programme at Zinc to gain skills they will need to become more independent, such as Employability.

Health Wellbeing and Focus Centre

Working in partnership with Epping Forest District Council we offer accommodation to people who would otherwise be homeless.

These people are housed in our facilities on licence and we offer support, training and use of our services until a permanent accommodation becomes available and they move into their new home.

AQA & The Biz - Aspire Learning

Rebranded In January 2020 as Aspire Learning, the courses delivered are Stepping Stones, Dimensions, Artbox and The Biz.

The courses are designed for adults 16+ as an alternative to college for people who would struggle at a mainstream college

Participants gain an accreditation at the end of the course.

Extra21

A short-term residential event normally delivered in partnership with Downs Syndrome Group.

Respite Weekend

Groups of 6 participants usually with high dependency needs who come to Zinc to have fun and interact with people of their own age, giving parents and regular carers a break whilst they are on respite.

e. OTHER ACTIVITIES AT ZINC'S ARTS CENTRE BASE

Zinc uses its facilities to make possible a wide array of activities which are of direct benefit to the local community:

- Regular hirers of rooms deliver a range of services, including exercise classes of various types, baby, singing and cookery classes, and counselling groups.
- The cafe (not run by Zinc) is available to local community groups and participants of Zinc.
- During the year, Academy Arts took over the artistic activities previously run by Stage One, including the running of a Theatre School and the delivery of showcases throughout the year and the pantomime at Christmas in Zinc.
- Various workshops, holiday clubs and other social activities are delivered within the building.

f. SIGNIFICANT CHANGES IN ACTIVITIES

There were no significant changes to activities of the charity during the year.

FINANCIAL REVIEW

a. RESULT FOR THE YEAR

Zinc incurs a substantial depreciation charge relating to improvements made to the centre in the years leading up to 2012. This amounted to £152,087 in 2021-22 (175,001 2021-22.) These are not cash costs and the trustees consider it to be appropriate to exclude them from the review of the result for the year.

Excluding this depreciation charge, the result for the year is a deficit of £25,756.

b. GOING CONCERN

As explained in note 1(c) to the accounts, Zinc has the support of its principal loan funders.

c. RESERVES POLICY

The focus of the directors is currently on generating a pre-depreciation operating surplus, to repair the finances of the charity following the difficult years prior to 2017-2018. Accordingly, the organisation does not have a formal reserves policy in place, as an absolute level of reserves is not currently the main priority. The establishment of a formal policy will be revisited when it is appropriate to do so.

PLANS FOR THE FUTURE

Zinc's priorities for the next 12 months are as follows:

- Grow our Aspire learning programme with the new structure in place.
- Continue our fledging partnership with The Place To Be Me making Zinc a hub for all children in the local area.
- Support the local community by being a vibrant, welcoming and forward thinking organisation
- Rejuvenate and give our building some maintenance;
- Reduce amount owed to creditors and further secure the financial position.

TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the 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 these financial statements, the Trustees are required to:

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

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

signed on their behalf by

D K Hufton-Rees
C.E.O.

Zinc Arts

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

Registered Charity number: 1035444

Company number: 02866315

Zinc Arts

Financial statements for the year ended 31 March 2022

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Directors/Trustees*

Dr Daryn Kenneth Hufton-Rees
Victoria Kaye

** Trustees of the Charity are also known as Directors of the Company.*

The accompanying Trustees' Report includes the information required for the Directors' Report required by company law.

Zinc Arts

Independent Examiner's Report - 31 March 2022

Report to the Trustees of Zinc Arts on the financial statements of the Charitable Company ("the Company") for the year ended 31 March 2022 set out on pages 4 to 15.

Responsibilities and basis of report

I report to the Charity's Trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

As the Trustees of the Company (and also the directors of the Company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in, any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: DA EATON

30 November 2022

David A Eaton FCA

Eaton & Co

Chartered Accountants and Consultants

The Cedars, School Lane, Great Barton, Bury St Edmunds, Suffolk IP31 2RQ

Zinc Arts

Statement of Financial Activities (including income and expenditure account)

For the year ended 31 March 2022

		2022			2021		
		Unrestricted funds	Restricted Funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
	Note	£		£	£		£
Income:							
Donations, legacies and grants	2	55,440	-	55,440	178,681	-	178,681
Income from charitable activities	3	196,522	-	196,522	209,649	-	209,649
Other incoming resources		18,725	-	18,725	(288)	-	(288)
Total income		270,687	-	270,687	388,042	-	388,042
Expenditure on:							
Charitable activities	4	296,443	-	296,443	278,373	-	278,373
Total expenditure		296,443	-	296,443	278,373	-	278,373
Net income (expenditure) before depreciation and revaluations		(25,756)	-	(25,756)	109,669	-	109,669
Depreciation		(152,087)		(152,087)	(175,001)		(175,001)
Gains and losses on revaluations of investment assets		-	-	-	(179)	-	(179)
Net (expenditure) and net movement in funds for the year		(177,843)	-	(177,843)	(65,511)	-	(65,511)
Reconciliation of funds:							
Total funds brought forward		(425,292)	-	(425,292)	(359,781)	-	(359,781)
Total funds carried forward		(603,135)	-	(603,135)	(425,292)	-	(425,292)

All of the above results are derived from continuing activities. There were no other recognised gains or losses during the year.

Zinc Arts
Balance Sheet
For the year ended 31 March 2022

		<u>2022</u>		<u>2021</u>	
	Note	£	£	£	£
Fixed assets:					
Tangible assets	9		2,678,372		2,830,459
			<u>2,678,372</u>		<u>2,830,459</u>
Current assets:					
Debtors	10	21,345		19,061	
Investments	11	1,157		1,157	
Cash at bank and in hand		1,252		4,237	
		<u>23,754</u>		<u>24,455</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	187,292		161,737	
		<u></u>		<u></u>	
Net current liabilities			(163,538)		(137,282)
Total assets less current liabilities			<u>2,514,834</u>		<u>2,693,177</u>
Creditors: amounts falling after more than one year	13		(3,117,969)		(3,118,469)
Total net assets			<u>(603,135)</u>		<u>(425,292)</u>
The funds of the Charity:					
Unrestricted funds			(603,135)		(425,292)
Total Charity funds			<u>(603,135)</u>		<u>(425,292)</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 28 November 2022.

DK Hufton-Rees
Trustee
Zinc Arts
Company Registered No: 02866315

1 Accounting Policies

Zinc Arts is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address and principal place of business is Great Stony, High Street, Chipping Ongar, Essex, CM5 0AD.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The functional currency is the British Pound.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The financial statements have been prepared on the going concern basis, although the charity has net current liabilities, excluding loans, of £123,613 (2021 - £95,357) and long-term loans of £3,117,969 (2021 - £3,118,469).

The going concern basis assumes that the charitable company will continue in operational existence for the foreseeable future and reflects the Trustees' belief that the Charity will continue to generate sufficient cash flows to meet its liabilities as they fall due.

The financial viability of the Charity remains dependent on maintaining the current level of income, and on the forbearance of the lenders referred to in note 13 to the accounts. Whilst there are no formal agreements to this effect, the Trustees have a reasonable expectation that this forbearance will continue for a period of at least twelve months from the date of signing these accounts.

If for any reason the current level of income or financing was not available, the Charity would need to seek alternative sources of income to ensure its continuation as a going concern.

The financial statements do not include the adjustments which would result if the Charity was unable to continue as a going concern.

d) Income

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

Donations, grants and funds received for specific projects and subject to specific wishes of the donors are credited to the relevant restricted fund. When donors specify that donations and grants given to the Charity must be used in future accounting periods, the income is deferred until those periods.

Building income is included in the period to which it relates and includes the renting of accommodation provided, hiring of facilities and other services available within the building to the public and project.

Zinc Arts

Notes to the Financial Statements

For the year ended 31 March 2022

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Fund accounting

Unrestricted funds are donations and other incoming resources received for charitable purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements.

g) 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:

Charitable activity costs are those incurred directly in support of the objects of the charity.

In the view of the Trustees the charity has only one activity, as outlined in the Trustees' report.

h) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity, for Governance costs, one of the support costs, are the costs associated with the governance arrangements of the charity. These costs relate to constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities as well as professional fees.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the SOFA.

k) Tangible fixed assets

Assets over £500 are capitalised at cost. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Leasehold improvements	27.5 years (amended from 135 years at 31 March 2019)
------------------------	--

Fixtures, Fittings, Equipment	10% straight line
-------------------------------	-------------------

The depreciation charge is shown separately on the SOFA in view of its magnitude and the fact that it is a non cash cost resulting from historical expenditure. This presentation has been adopted to give a fair representation of the charity's current financial performance.

l) Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2022

m) 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.

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. They are held to meet short term cash commitments as they fall due.

n) 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.

o) Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement

Rentals under operating leases are charged to the Statement of Financial Activities in the period to which they relate.

p) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the year ended 31st March 2019 the Trustees reviewed the depreciation policy relating to the leasehold improvements and concluded that a life of 27.5 years was more appropriate than the 135 years being employed. Appropriate adjustments were made in the 2018-19 accounts and subsequent depreciation charges reflect the revised estimate.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2022

2 Donations, legacies and grants

	2022			2021		
	Unrestricted funds £	Restricted funds £	Total Funds £	Unrestricted funds £	Restricted funds £	Total Funds £
Donations	11,286	-	11,286	1,589	-	1,589
<i>Grants:</i>						
Covid related grants	44,154	-	44,154	177,092	-	177,092
	55,440	-	55,440	178,681	-	178,681

3 Income from charitable activities

	2022			2021		
	Unrestricted funds £	Restricted funds £	Total Funds £	Unrestricted funds £	Restricted funds £	Total Funds £
Contracts and Fees	196,522	-	196,522	209,649	-	209,649
	196,522	-	196,522	209,649	-	209,649

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2022

4. Analysis of expenditure on charitable activities

	2022			2021		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
	£	£	£	£	£	£
Staffing and subcontractors	117,228	-	117,228	163,744	-	163,744
Other direct costs	3,682	-	3,682	4,663	-	4,663
	120,910	-	120,911	168,407	-	168,407
Support costs (note 5)	175,533	-	175,533	109,966	-	109,966
	296,443	-	296,443	278,373	-	278,373

During the year the Charity had one class of activity, to promote the creativity, culture and heritage of disabled people and socially-excluded groups for the benefit of all.

5. Analysis of support costs

	2022			2021		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
	£	£	£	£	£	£
Governance (see below for analysis)	9,966	-	9,966	6,026	-	6,026
Interest	26,403	-	26,403	24,657	-	24,657
Other	139,164	-	139,164	79,283	-	79,283
Total	175,533	-	175,533	109,966	-	109,966

Governance costs are made up of:

Independent examination fees	9,000	-	9,000	3,000	-	3,000
Other legal and professional fees	966	-	966	3,026	-	3,026
	9,966	-	9,966	6,026	-	6,026

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2022

6	Net income for the period	2022	2021
		£	£
	This is stated after charging:		
	Depreciation - annual charge	152,087	175,001
	Independent Examination fee	3,500	3,000

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key

Staff costs were as follows:	£	£
Wages and salaries	110,411	151,499
Social security costs	4,664	9,642
Pension costs	2,154	2,603
	117,228	163,744

The average number of employees during the year was 6 (2021 - 8)

No employee received remuneration amounting to more than £60,000 in either year.

The cost of senior management personnel was Nil (2021 - £NIL)

The Charity's Trustees were not paid and did not receive any benefits from employment with the Charity in the year (2021 - £Nil). During the year the Trustees received reimbursement of expenses of £22,061 (2021 - £23,150). No Charity Trustee received payment for professional or other services supplied to the Charity (2021 - £Nil).

8 Taxation

The charitable company is exempt from Corporation Tax as all its income is charitable and is applied for charitable purposes.

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2022

9 Tangible Fixed Assets

	Leasehold improve- ments £	Fixtures, Fittings and Equipment £	Total £
Cost			
At the start of the year	4,289,237	658,989	4,948,226
Additions during the year	-	-	-
At the end of the year	<u>4,289,237</u>	<u>658,989</u>	<u>4,948,226</u>
Depreciation			
At the start of the year	1,454,970	662,797	2,117,767
Charge for the year	155,895	(3,808)	152,087
At the end of the year	<u>1,610,865</u>	<u>658,989</u>	<u>2,269,854</u>
Net book value			
At the end of the year	<u>2,678,372</u>	<u>-</u>	<u>2,678,372</u>
At the beginning of the year	<u>2,834,267</u>	<u>(3,808)</u>	<u>2,830,459</u>

10 Debtors

	2022 £	2021 £
Trade debtors	21,345	7,539
Other debtors	-	11,522
Prepayments and accrued income	-	-
	<u>21,345</u>	<u>19,061</u>

11. Current asset investments

COIF Fixed interest fund	1,157	1,157
	<u>1,157</u>	<u>1,157</u>

During the year there was no change in the fund value (2021 - loss £179).

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2022

12 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank overdrafts	6,319	7,351
Trade creditors	38,755	18,002
Accruals and deferred income	83,627	76,598
Other taxation and social security	8,483	6,548
Other creditors	10,183	11,313
Bridging Loan S.I.B (see note 13)	-	2,000
Other loan (see note 13)	39,925	39,925
	<u>187,292</u>	<u>161,737</u>

13 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Futurebuilders Loan 1	1,714,866	1,715,366
Futurebuilders Loan 2	1,313,005	1,313,005
Bridging Loan S.I.B	57,500	57,500
Other loan	32,598	32,598
	<u>3,117,969</u>	<u>3,118,469</u>

The Future Builders and S.I.B. loans are secured by way of a fixed charge over the charity's long leasehold property.

The loan agreement provides for the loans to be repaid over a period of 25 years at an interest rate of 6%. However, interest and repayment holidays have been granted until 31st May 2022 and the repayment terms beyond that remain under ongoing negotiation.

The amount shown under "other loans" represents a loan from an employee. The loan carries an interest rate of 19.9% and was repayable by instalments between 11 July 2019 and 30 May 2021. At the 31 March 2021, payment of instalments due had commenced on a delayed basis with the agreement of the lender. The lender has indicated flexibility as to the repayment schedule, and has capped the amount of interest chargeable on the loan.

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2022

14 Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	At the end of the year £
Current Year				
General Funds	(426,448)	270,687	(448,530)	(604,291)
Designated fund	1,156	-	-	1,156
Total - unrestricted funds	<u>(425,292)</u>	<u>270,687</u>	<u>(448,530)</u>	<u>(603,135)</u>
Prior Period				
General Funds	(361,116)	388,042	(453,374)	(426,448)
Designated fund	1,335	(179)	-	1,156
Total - unrestricted funds	<u>(359,781)</u>	<u>387,863</u>	<u>(453,374)</u>	<u>(425,292)</u>

The designated fund comprises amounts set aside for capital repairs and renewals and is held in the COIF Investment fund see note 11.

15 Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period	(177,843)	(65,332)
Depreciation charges	152,087	175,001
Decrease (Increase) in debtors	(2,284)	(7,318)
Increase (Decrease) in creditors	25,055	(86,525)
Net cash provided by operating activities	<u>(2,985)</u>	<u>15,826</u>

16 Analysis of cash and cash equivalents

	£	£
Cash at bank and in hand	1,252	4,237
Bank overdrafts	(6,319)	(7,351)
Total cash and cash equivalents	<u>(5,067)</u>	<u>(3,114)</u>

Zinc Arts
Notes to the Financial Statements
For the year ended 31 March 2022

17 Capital commitments

At the balance sheet date, there were no capital commitments (2021: £Nil).

18 Contingent assets or liabilities

At the balance sheet date, there were no contingent assets or liabilities (2021: £Nil).

19 Related party transactions

Trustees received reimbursement of expenditure in respect of the Charity's activities during the current year - see note 7.

20 Legal status of the charity

The Charity is a company limited by guarantee and has no share capital. The company is incorporated in England and Wales - registration number 02866315. The liability of each member in the event of winding up is limited to £10.

The registered office of the Charity is Great Stony, High Street, Chipping Ongar, Essex CM5 0AD.

Zinc Arts

Independent Examiner's Report - 31 March 2022

Report to the Trustees of Zinc Arts on the financial statements of the Charitable Company ("the Company") for the year ended 31 March 2022 set out on pages 4 to 15.

Responsibilities and basis of report

I report to the Charity's Trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

As the Trustees of the Company (and also the directors of the Company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in, any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: DA EATON

30 November 2022

David A Eaton FCA

Eaton & Co

Chartered Accountants and Consultants

The Cedars, School Lane, Great Barton, Bury St Edmunds, Suffolk IP31 2RQ

ZINC ARTS

England & Wales - Charity number 1035444

Accounts

Zinc Arts

Trustees Report and Financial Statements For the year ended 31st March 2021

Zinc exists to inspire people through education and the arts, to raise aspirations, and to develop and promote new talent. Zinc passionately believes that everyone should have the opportunity to discover, or re-discover, their potential, regardless of their background or circumstances. The Zinc Centre and its activities will always provide a safe, welcoming place for anyone and everyone to grow, learn, explore and enjoy, while supported by a family of committed staff.

inspiration, inclusivity, integrity

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

COMPANY INFORMATION

Trustees

D Hufton-Rees, Chief Executive
V Kaye
R Strutt (resigned 22 May 2020)

Company registered number
02866315

Charity registered number

1035444

Registered office

Great Stony, Ongar Arts & Education Centre, High Street, Ongar, Essex, CM5 OAD

Chief executive officer

D Hufton-Rees

Bankers

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

Solicitors

Holmes & Hills, Trinity Street, Halstead, Essex, Co9 1JE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

INTRODUCTION

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) have pleasure in submitting their annual report together with the audited financial statements of Zinc Arts (the company) for the year ended 31 March 2021.

The reference and administrative details set out on page 2 forms part of this report. 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).

Directors/ Trustees

The Trustees, who are also Directors of the company, and acted throughout the year except where indicated, are shown on page 1 of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

Zinc (Company number 02866315) was incorporated on 27 October 1993 and is a charitable company limited by the guarantees of the members to a maximum of £10 each. The company is a registered charity (number 1035444). The company gained charitable status on 22 March 1994. It changed its name from Theatre Resource to Zinc Arts with The Charity Commission and Companies House on 22 November 2012.

b. SPECIFIC INSTRUCTIONS

There are no specific instructions relating to the operation of the charity, nor are there any specific investment powers.

c. GOVERNANCE

In 2020-2021 the Charity comprised a membership of 2-3 individuals committed to supporting the aspirations of the organisation. The constitution stipulates that Members are automatically elected to a Board of Directors/Trustees to run the affairs of the organisation. When an individual resigns their position on the Board of Directors/Trustees their membership of the organisation ceases.

The Trustees are responsible for formulating the strategy and policies for Zinc and may meet at such times and regulate its meetings as it sees fit. In 2020-21, because of the pandemic, the Trustees met remotely, to steer the organisation through the tough financial climate and support the CEO and the organisation through a difficult time.

d. RECRUITMENT, APPOINTMENT AND ELECTION OF TRUSTEES

The Board identifies and regularly reviews the skills of existing Board Members and any needs of the Board which are not being met by the current membership.

Recruitment is through:

- Targeting individuals known to Zinc;
- Advertising for applicants through the media and other sources; and
- Utilising board 'banks', etc. maintained by support bodies.

Recruitment is not limited to within the arts, education or social care field, but reflects the varied needs of the organisation. Whilst specific skills may be sought (for example in relation to regular skills

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

audits undertaken by the Board) enthusiasm and vision may also be considered equally valuable.

The Board has established procedures for recruiting and appointing Board members, including initial identification of potential candidates, informal visits or discussions, formal application and interview, consideration by the full Board and, finally, election by a majority of votes.

e POLICIES AND PROCEDURES FOR THE INDUCTION AND TRAINING OF TRUSTEES

Zinc is committed to full induction and ongoing training of Trustees. A comprehensive induction pack and standing orders are in place and are regularly updated to ensure compliance with company and charity law.

f RISK MANAGEMENT

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

OBJECTIVES AND ACTIVITIES

a. COMPANY OBJECTIVES

The objective of Zinc, as stated in the Memorandum and Articles of Association, is to 'advance education for the public benefit through the promotion of the arts, particularly but not exclusively for disabled and disadvantaged people'.

b. ACHIEVEMENT OF OBJECTIVES

Zinc works to promote the creativity, culture and heritage of disabled people and socially-excluded groups for the benefit of all. In our work, we seek to:

- Generate pathways within the arts;
- Stimulate high-quality, diverse and experimental project work;
- Provide lifelong learning, training and employment opportunities;
- Create platforms for the exploration and representation of the cultures and neglected histories of excluded groups;
- Initiate informed debate and influence policymaking;
- Foster enabling environments; and
- Advance inclusiveness, accessibility and equality in the wider arts environment, and in the communities in which we live.

c. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. Whilst Zinc undertakes work funded by grants and commissions from funding agencies, fees are charged to individual beneficiaries to help cover operating costs. Where fees are charged, in setting the level of fees, charges and concessions, the trustees always consider accessibility of activities for those on low incomes and living on benefits.

The Charity's public benefit during the year is demonstrated by the activities undertaken in 2019-20.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

d. ACTIVITIES UNDERTAKEN IN 2020-21

Zinc's activities during the year were severely curtailed by the Covid-19 pandemic.

Zinc continued as far as possible with its current activities with core participatory groups, including D/deaf people, participants with mental health needs, physical and/or sensory impairments, multiple and profound learning difficulties and/or with experience of other forms of social exclusion.

In previous years Zinc suffered difficult financial outcomes, and as a result in 2020-21 focussed on those activities which would contribute to the delivery of its charitable objectives whilst at the same time generating funds to ensure the ongoing repair of the financial position.

Activities delivered include the following:

Tolpuddle House Programme

2020/21 saw the continued support to the service users of Tolpuddle House, the housing and associated employment and training programme for vulnerable adults living on site in accommodation managed by East Thames Group. Nine adults received supported living and associated education, training and volunteering opportunities.

Tenants gain skills and learn to live independently with aim of being offered a flat of their own. They attend the Aspire Learning programme at Zinc to gain skills they will need to become more independent, such as Employability.

Health Wellbeing and Focus Centre

Working in partnership with Epping Forest District Council we offer accommodation to people who would otherwise be homeless.

These people are housed in our facilities on licence and we offer support, training and use of our services until a permanent accommodation becomes available and they move into their new home.

AQA & The Biz – Aspire Learning

Rebranded In January 2020 as Aspire Learning, the courses delivered are Stepping Stones, Dimensions, Artbox and The Biz.

The courses are designed for adults 16+ as an alternative to college for people who would struggle at a mainstream college

Participants gain an accreditation at the end of the course.

All activities were moved online during the pandemic.

Extra 21

A short-term residential event normally delivered in partnership with Downs Syndrome Group. This event was cancelled during 2020-21 as a result of the pandemic.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Respite Weekend

Groups of 6 participants usually with high dependency needs who come to Zinc to have fun and interact with people of their own age, giving parents and regular carers a break whilst they are on respite.

These events were cancelled during 2020-21 as a result of the pandemic.

e. OTHER ACTIVITIES AT ZINC 'S ARTS CENTRE BASE

Zinc uses its facilities to make possible a wide array of activities which are of direct benefit to the local community:

- Regular hirers of rooms deliver a range of services, including exercise classes of various types, baby, singing and cookery classes, and counselling groups.
- The café (not run by Zinc) is available to local community groups and participants of Zinc.
- During the year, Academy Arts took over the artistic activities previously run by Stage One, including the running of a Theatre School and the delivery of showcases throughout the year and the pantomime at Christmas in Zinc.
- Various workshops, holiday clubs and other social activities are delivered within the building. Many of these were curtailed during the pandemic.

f. SIGNIFICANT CHANGES IN ACTIVITIES

Other than the pausing of activities as a result of the Covid-19 pandemic, there were no significant changes to activities of the charity during the year.

FINANCIAL REVIEW

a. RESULT FOR THE YEAR

Zinc incurs a substantial depreciation charge relating to improvements made to the centre in the years leading up to 2012. This amounted to £175,001 in 2020-21, the same as in the previous year. These are not cash costs and the trustees consider it to be appropriate to exclude them from the review of the result for the year.

Excluding this depreciation charge, the result for the year is a surplus of £109,669. This compares with a comparable underlying deficit of £(10,332) in 2019-20.

During the year Zinc benefited from a number of Covid support grants, and also the ability to furlough staff.

b. COVID 19 and GOING CONCERN

Following the relaxation of Covid-19 in 2021, the centre was gradually re-opened and new contractors were engaged for the operation of the café and the delivery of artistic activities.

As explained in note 1(c) to the accounts, Zinc has the support of its principal loan funders.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

After making appropriate enquires, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

c. RESERVES POLICY

The focus of the directors is currently on generating a pre-depreciation operating surplus, to repair the finances of the charity following the difficult years prior to 2017-2018. Accordingly, the organisation does not have a formal reserves policy in place, as an absolute level of reserves is not currently the main priority. The establishment of a formal policy will be revisited when it is appropriate to do so.

PLANS FOR THE FUTURE

As the centre progressively re-opens following the pandemic, Zinc's priorities are as follows:

- Return to business as usual to the same levels and beyond after COVID 19;
- Help our participants and the community deal with the uncertainty and after-effects of COVID 19;
- Rejuvenate and give our building some maintenance;
- Grow our Aspire learning programme;
- Reduce amount owed to creditors and further secure the financial position.

TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the 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 these financial statements, the Trustees are required to:

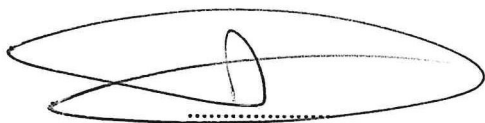
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume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

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

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

signed on their behalf by

D K Hufton-Rees
C.E.O.

A handwritten signature in black ink, consisting of a large, stylized loop followed by a smaller, more intricate flourish.

1 December 2021

Zinc Arts

Statement of Financial Activities (including income and expenditure account) For the year ended 31st March 2021

	Note	2021			2020		
		Unrestricted funds	Restricted Funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
		£		£	£		£
Income:							
Donations, legacies and grants	2	69,803	-	69,803	11,174	-	11,174
Income from charitable activities	3	209,361	-	209,361	327,987	-	327,987
Other incoming resources		108,878		108,878	8,556		8,556
Total income		388,042	-	388,042	347,717	-	347,717
Expenditure on:							
Charitable activities	4	278,373	-	278,373	358,049	-	358,049
Total expenditure		278,373	-	278,373	358,049	-	358,049
Net income (expenditure) before depreciation and revaluations		109,669	-	109,669	(10,332)	-	(10,332)
Depreciation		(175,001)		(175,001)	(175,001)		(175,001)
Gains and losses on revaluations of investment assets		(179)	-	(179)	238	-	238
Net (expenditure) and net movement in funds for the year		(65,511)	-	(65,511)	(185,095)	-	(185,095)
Reconciliation of funds:							
Total funds brought forward		(359,781)	-	(359,781)	(174,686)	-	(174,686)
Total funds carried forward		(425,292)	-	(425,292)	(359,781)	-	(359,781)

All of the above results are derived from continuing activities. There were no other recognised gains or losses during the year.

Zinc Arts
Balance Sheet
For the year ended 31st March 2021

		2021		2020	
	Note	£	£	£	£
Fixed assets:					
Tangible assets	9	2,830,459		3,005,460	
		<u>2,830,459</u>		<u>3,005,460</u>	
Current assets:					
Debtors	10	19,061		11,743	
Investments	11	1,157		1,336	
Cash at bank and in hand		4,237		8,911	
		<u>24,455</u>		<u>21,990</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	161,737		261,262	
		<u></u>		<u></u>	
Net current liabilities		(137,282)		(239,272)	
Total assets less current liabilities		<u>2,693,177</u>		<u>2,766,188</u>	
Creditors: amounts falling after more than one year	13	(3,118,469)		(3,125,969)	
Total net assets		<u>(425,292)</u>		<u>(359,781)</u>	
The funds of the charity:					
Unrestricted funds		(425,292)		(359,781)	
Total charity funds		<u>(425,292)</u>		<u>(359,781)</u>	

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the
Board of Trustees on 1 December and authorised for issue.

DK Hufton-Rees
Trustee
1st December 2021
Zinc Arts
Company Registered No: 02866315

Zinc Arts
Statement of Cash Flows
For the year ended 31st March 2021

	Note	2021		2020	
		£	£	£	£
Cash provided by operating activities	15		15,826		(11,167)
Cash flows from investing activities:					
Purchase of tangible fixed assets		-		(72)	
Net cash used in investing activities			-		(72)
Cash flows from financing activities:					
Loan (repaid) received		(20,500)		27,500	
			(20,500)		27,500
(Decrease) Increase in cash and cash equivalents in the year			(4,674)		16,261
Total cash and cash equivalents at the beginning of the year			1,560		(14,701)
Total cash and cash equivalents at the end of the year	16		(3,114)		1,560

1 Accounting Policies

Zinc Arts is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address and principal place of business is Great Stony, High Street, Chipping Ongar, Essex, CM5 0AD.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The functional currency is the British Pound.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The financial statements have been prepared on the going concern basis, although the charity has net current liabilities, excluding loans, of £95,357 (2020 : £184,347) and long-term loans of £3,160,394 (2020: £3,180,892).

The going concern basis assumes that the charitable company will continue in operational existence for the foreseeable future and reflects the Trustees' belief that the charity will continue to generate sufficient cash flows to meet its liabilities as they fall due.

The Trustees are pleased to report that during the year-end significant progress has been made in reducing the creditor balances shown in note 12 to these accounts, and forecasts indicate that the charity will be able to continue this process over the twelve months from the date of this report.

The financial viability of the charity remains dependent on maintaining the current level of income, and on the forbearance of the lenders referred to in note 13 to the accounts. Whilst there are no formal agreements to this effect, the Trustees have a reasonable expectation that this forbearance will continue for a period of at least twelve months from the date of signing these accounts.

If for any reason the current level of income or financing was not available, the Charity would need to seek alternative sources of income to ensure its continuation as a going concern.

The financial statements do not include the adjustments which would result if the Charity was unable to continue as a going concern.

d) Income

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

Donations, grants and funds received for specific projects and subject to specific wishes of the donors are credited to the relevant restricted fund. When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.

Building income is included in the period to which it relates and includes the renting of accommodation provided, hiring of facilities and other services available within the building to the public and project.

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements.

g) 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:

Charitable activity costs are those costs incurred directly in support of expenditure on the objects of the charity.

In the view of the Trustees the charity has only one activity, as outlined in the Trustees' report

h) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity, for example IT. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs, is apportioned on the basis of an estimate of staff time, attributable to each activity.

Governance costs, one of the support costs, are the costs associated with the governance arrangements of the charity. These costs relate to constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities as well as professional fees such as audit fees.

i) Operating leases

Rental charges are charged on a straight line basis

j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

k) Tangible fixed assets

Assets over £500 are capitalised at cost. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Leasehold improvements	27.5 years (Amended from 135 years in year ended 31st March 2019)
Fixtures, Fittings and Equipment	10% straight line

The depreciation charge is shown separately on the SOFA in view of its magnitude and the fact that it is a non cash cost resulting from historical expenditure. This presentation has been adopted to give a fair representation of the charity's current financial performance.

l) Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

m) 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.

n) 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. They are held to meet short term cash commitments as they fall due.

o) 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.

p) Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement outstanding in each period.

Rentals under operating leases are charged to the Statement of Financial Activities in the period to which they relate.

q) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the year ended 31st March 2019 the Trustees reviewed the depreciation policy relating to the leasehold improvements and concluded that a life of 27.5 years was more appropriate than the 135 years being employed. Appropriate adjustments were made in the 2018-19 accounts and subsequent depreciation charges reflect the revised estimate.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

2 Donations, legacies and grants

	2021			2020		
	Unrestricted funds £	Restricted funds £	Total Funds £	Unrestricted funds £	Restricted funds £	Total Funds £
Donations	-	0	-	11,174	-	11,174
<i>Grants:</i>						
Covid related grants	69,803	-	69,803	-	-	-
	<u>69,803</u>	<u>-</u>	<u>69,803</u>	<u>11,174</u>	<u>-</u>	<u>11,174</u>

3 Income from charitable activities

	2021			2020		
	Unrestricted funds £	Restricted funds £	Total Funds £	Unrestricted funds £	Restricted funds £	Total Funds £
Contracts and Fees	209,361	-	209,361	327,987	-	327,987
	<u>209,361</u>	<u>-</u>	<u>209,361</u>	<u>327,987</u>	<u>-</u>	<u>327,987</u>

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

4. Analysis of expenditure on charitable activities

	2021			2020		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
	£	£	£	£	£	£
Staffing and subcontractors	163,744	-	163,744	173,737	-	173,737
Other direct costs	4,663	-	4,663	30,720	-	30,720
	168,407	-	168,407	204,457	-	204,457
Support costs (note 5)	109,966	-	109,966	153,592	-	153,592
	278,373	-	278,373	358,049	-	358,049

During the year the Charity had one class of activity, to promote the creativity, culture and heritage of disabled people and socially-excluded groups for the benefit of all.

5. Analysis of support costs

	2021			2020		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
	£	£	£	£	£	£
Governance (see below for analysis)	6,026	-	6,026	6,097	-	6,097
Other	103,940	-	103,940	147,495	-	147,495
Total	109,966	-	109,966	153,592	-	153,592

Governance costs are made up of:

Independent examination fees	3,000	-	3,000	3,000	-	3,000
Other legal and professional fees	3,026	-	3,026	3,097	-	3,097
	6,026	-	6,026	6,097	-	6,097

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

6	Net income for the period	2021	2020
		£	£
	This is stated after charging:		
	Depreciation - annual charge	175,001	175,001
	Independent Examination fee	3,000	3,000
		<u> </u>	<u> </u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key

Staff costs were as follows:	£	£
Wages and salaries	151,499	162,251
Social security costs	9,642	9,171
Pension costs	2,603	2,314
	<u>163,744</u>	<u>173,737</u>

The average number of employees during the year was 8 (2020:12)

No employee received remuneration amounting to more than £60,000 in either year.

The cost of senior management personnel was Nil (2020 - £NIL)

The Charity's Trustees were not paid and did not receive any benefits from employment with the Charity in the year (2020 - £0). During the year the Trustees received reimbursement of expenses of £23,150 (2020 - £22,418). No Charity Trustee received payment for professional or other services supplied to the Charity (2020 - £0).

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible Fixed Assets

	Leasehold improve- ments	Fixtures, Fittings and Equipment £	Total £
Cost			
At the start of the year	4,289,237	658,989	4,948,226
Additions during the year	-	-	-
At the end of the year	<u>4,289,237</u>	<u>658,989</u>	<u>4,948,226</u>
Depreciation			
At the start of the year	1,299,075	643,691	1,942,766
Charge for the year	155,895	19,106	175,001
At the end of the year	<u>1,454,970</u>	<u>662,797</u>	<u>2,117,767</u>
Net book value			
At the end of the year	<u>2,834,267</u>	<u>(3,808)</u>	<u>2,830,459</u>
At the beginning of the year	<u>2,990,162</u>	<u>15,298</u>	<u>3,005,460</u>

10 Debtors

	2021 £	2020 £
Trade debtors	7,539	6,187
Other debtors	11,522	5,556
Prepayments and accrued income	-	-
	<u>19,061</u>	<u>11,743</u>

11. Current asset investments

COIF Fixed interest fund	<u>1,157</u>	<u>1,336</u>
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During the year there was an unrealised loss of £179 on the fund (2020: gain £238).

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank overdrafts	7,351	7,351
Trade creditors	18,002	79,025
Accruals and deferred income	76,598	59,091
Other taxation and social security	6,548	9,608
Other creditors	11,313	51,262
Bridging Loan S.I.B (see note 13)	2,000	15,000
Other loan (see note 13)	39,925	39,925
	<u>161,737</u>	<u>261,262</u>

13 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Futurebuilders Loan 1	1,715,366	1,715,366
Futurebuilders Loan 2	1,313,005	1,313,005
Bridging Loan S.I.B	57,500	57,500
Other loan	32,598	40,098
	<u>3,118,469</u>	<u>3,125,969</u>

The Future Builders and S.I.B. loans are secured by way of a fixed charge over the charity's long leasehold

The loan agreement provides for the loans to be repaid over a period of 25 years at an interest rate of 6%. However, interest and repayment holidays have been granted until 31st May 2022 and the repayment terms beyond that remain under negotiation.

The amount shown under "other loans" represents a loan from an employee. The loan carries an interest rate of 19.9% and was repayable by instalments between 11th July 2019 and 30 May 2021. At the 31st March 2021, payment of instalments due had commenced on a delayed basis with the agreement of the lender. The lender has indicated flexibility as to the repayment schedule, and has capped the amount of interest chargeable on the loan.

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

14 Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	At the end of the year £
Current Year				
General Funds	(361,116)	388,042	(453,374)	(426,448)
Designated fund	1,335	-179	-	1,156
Total - unrestricted funds	(359,781)	387,863	(453,374)	(425,292)
Prior Period				
General Funds	(175,783)	347,717	(533,050)	(361,116)
Designated fund	1,097	238	-	1,335
Total - unrestricted funds	(174,686)	347,955	(533,050)	(359,781)

The designated fund comprises amounts set aside for capital repairs and renewals and is held in the COIF Investment fund see note 11.

15 Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period	(65,332)	(185,333)
Depreciation charges	175,001	175,002
Decrease (Increase) in debtors	(7,318)	14,866
(Decrease) in creditors	(86,525)	(15,702)
Net cash provided by operating activities	15,826	(11,167)

16 Analysis of cash and cash equivalents

	£	£
Cash at bank and in hand	4,237	8,911
Bank overdrafts	(7,351)	(7,351)
Total cash and cash equivalents	(3,114)	1,560

17 Capital commitments

At the balance sheet date, there were no capital commitments (2020: £Nil).

18 Contingent assets or liabilities

At the balance sheet date, there were no contingent assets or liabilities (2020: £Nil).

19 Related party transactions

Trustees received reimbursement of expenditure in respect of the charity's activities during the current year - see note 7.

20 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The company is incorporated in England and Wales registration number 02866315. The liability of each member in the event of winding up is limited to £10.

The registered office of the company is Great Stony, High Street, Chipping Ongar, Essex, CM5 0AD.

Independent examiner's report to the trustees of Zinc Arts ('the Company'). Charity number 1035444.

I report to the charity trustees on my examination of the accounts of the Company for the period ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



2 December 2021

Ian M Parlane A.C.A
9 Boundary Way, Shoeburyness, Essex, SS3 9QF