

Company registration number: 03340600
Charity registration number: 1066687

NEWHAMPTON ARTS CENTRE
DIRECTORS' REPORT
AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Daw White Murrall
Chartered Accountants
1 George Street
Snow Hill
Wolverhampton
WV2 4DG

NEWHAMPTON ARTS CENTRE
(Company Limited by Guarantee)

Company Information

| | |
|-----------------------------|---|
| Registered charity name | Newhampton Arts Centre |
| Charity registration number | 1066687 |
| Company registration number | 03340600 |
| Registered office | Dunkley Street Wolverhampton West Midlands WV1 4AN |
| Trustees/Directors | J M Barrow (resigned in the year) R J Ashwell K Fraser M Cartwright C Shelton R Harvey (resigned in the year) R Taylor F Richings J Blunt L Court O Kerr S Pallan-Jhali T Roden W Stephens |
| Company secretary | T Wright |
| Accountants | Daw White Murrall Chartered Accountants 1 George Street Snow Hill Wolverhampton WV2 4DG |

NEWHAMPTON ARTS CENTRE
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NEWHAMPTON ARTS CENTRE
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2024.

Structure, Governance and Management

Newhampton Arts Centre is a company limited by guarantee and not having a share capital under the Companies Act 2006 (registration number 03340600) and is registered with the Charity Commission as a charity (registration number 1066687) under the Charities Act 2011.

The charity is governed by a Board of Trustees who are also directors. Directors are elected at the AGM and serve for three years. They represent arts, site users, the local community, business and education.

The governance of the charity is laid out in its governing document which is available on request.

Trustees Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

Appointment of trustees

As set out in the Articles of Association, the chair of the trustees is nominated by the Board. The trustees are elected annually by the members of the charitable company attending the Annual General Meeting and serve for a period of three years. They can then be re-elected for a further three year period. The Board may recommend additional terms if the arts centre would benefit as a result. There can be up to 12 Board members.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Trustee induction and training

New trustees undergo an induction to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The board of trustees administers the charity. The board meets bi-monthly and there are action groups covering development, personnel and finance which meet as required. A Chief Executive is appointed by the trustees to direct the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for undertaking agreed strategies and operational matters including finance, employment and artistic programme related activity.

Risk management

The trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face
- the establishment of systems and procedures to mitigate those risks identified in the plan
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This ongoing work has resulted in better emergency procedures and contingency plans and gives the impetus for better planning. Particular attention is focussed on non financial risks arising from buildings, health and safety of all site users, and food hygiene. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Public benefit

The trustees have had regard to the Charity Commission's guidance on public benefit.

The Newhampton Arts Centre aims to deliver charitable public benefit by inspiring and supporting those who may not regularly be involved in creative experiences, including:

- children and young people
- families and intergenerational groups
- people with disabilities
- people who feel on the edge of or excluded from mainstream society and/or who do not identify themselves as arts attenders

NEWHAMPTON ARTS CENTRE
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities

The charity works to achieve its aims by:

1. Providing a high quality and supportive venue for the performance of music, dance, drama and other performing arts, for professional and community use including minority cultural events.
2. Providing good value office, rehearsal and meeting space for resident organisations and appropriate groups and organisations from the wider community.
3. Engaging local voluntary and professional organisations in positive cultural partnerships and collaborations within the centre, the city and the West Midlands region.
4. Providing opportunities for young people, children and families to participate in the arts.
5. Promoting the Newhampton Arts Centre as a hub for formal and informal education, training and participation within the arts.
6. Encouraging links and shared opportunities between organisations to optimise the use of the Newhampton Arts Centre facilities.
7. Promoting training and development for staff, resident and other organisations in the cultural industries.
8. Promoting inclusion in the arts by addressing barriers - physical, social, cultural, economic.
9. Maintaining the economic viability of the Newhampton Arts Centre, to sustain the delivery of arts opportunities.
10. Seeking funding to support new cultural opportunities.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

Performance Venue

NAC presented a full year's programme of live events in the theatre and New Horizons outdoor stage tent.

In total 138 live events were presented in the theatre and tent. There were 120 days of exhibitions in the Gallery Hall.

Audience numbers continued to recover well from their decline during COVID and its aftermath. Total audience for events and exhibitions was 9,992 (8,121 in 2022-3).

Room Hire and Tenants

The impact of the failure of the heating system on half of the site continued to affect the numbers of rooms available for long-term hire to residents. Funding was secured to fix the heating system with Wolverhampton City Council, so the prospect of recovery to pre-heating failure levels of occupancy during 2024-5 is realistic.

Courses and classes continued to recover and we were able to add a number of new regular classes to the offer, including those from The People's Orchestra and Magical MIC CIC.

Cultural Partnerships

NAC continued to support the work of the Wolverhampton Cultural Education Partnership and continued to employ its co-ordinator. NAC continued to deliver Holiday Activities and Food and #YES programme activities that enabled families with young children on free school meals to access high quality creative activities and food for free in the school holidays.

We continued to work with Black Country Touring on our adult and family theatre programmes and we were able to bring work by Kitchen Zoo, Lyngo Theatre, Speedwell Dance, Little Seeds Music and Scarlet Oak Theatre.

Our partnership with Jazz at Wolverhampton continued to enable us to present high-quality contemporary touring artists in the city – including Jasmie Myra, David Preston, Shivraj Singh and Alison Rayner. The folk programme saw Magpie Arc, Jack Rutter, Granny's Attic, Jackie Oates and John Spiers among the artists appearing.

NAC has become a regular venue for the Wolverhampton Literature Festival and presented talks by Pauline Black and the Ghost Huns Podcast. We were also the venue for Wolverhampton Film Festival, stepping in following the closure of Lighthouse to provide a platform for this independent film event.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Finally, we were able to support a number of independent artists to create new work. Aaron Virdee developed new theatre in a process supported by Tara Arts and Deaf Explorer. Early-career dance artist Laura Hague developed a new piece and rehearsed in the dance studio. Two early-career producers on a development scheme with Moving Souls Dance were able to contribute to the Same Difference Festival.

Economic Viability

The year saw demand for tickets significantly increase over the previous years as audience demand strengthened and NAC was able to rebuild its live events programme. The jazz programme in particular saw significant growth in activity and audiences following Jazz at Wolverhampton's appointment of a Jazz Development Officer to support the programming and marketing.

NAC did increase prices for room hires and residents rentals but with the years of standstill prices during COVID and the steep rises in utilities costs, NAC has not caught its prices up to their relative levels in 2019-20.

The winter of 2023 was the second in which there was no heating in the Gallery Hall block. We continued to offer rebates to affected residents which affected rental income, and also moved residents to the studio spaces from their unheated rooms, which reduced the number of rooms available for hire. There was a consequent fall in hire space income compared to the previous year, when the heating only affected the final four months.

The fall in bar income may be part of a wider industry trend that is seeing per head spend declining in the live events industry, particularly with alcohol sales.

| | 2023-24 (£) | 2022-23 (£) |
|-------------------|--------------------|--------------------|
| Rental income | 99,203 | 91,111 |
| Hire space income | 89,717 | 104,976 |
| Show income | 87,471 | 64,247 |
| Bar income | 40,926 | 46,373 |

Earned income as a whole was £317,317 compared to £306,707 in 2022-23 – a 3.5% rise overall in a year when rentals and hires were affected by the heating system failure for the entire twelve months.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Fundraising Activity

NAC continued to fundraise to support the charitable activities of the organisation.

Funding was secured from the Architectural Heritage Fund to commission architects to carry out an Options Appraisal of the potential future development of the site.

The Foyle Foundation provided £20,000 to support the purchase of a new sound control desk and associated equipment for the theatre.

The Postcode Neighbourhood Trust provided core funding to support the charitable activities of the organisation.

The Garfield Weston Foundation and the Roger and Douglas Turner Charitable Trust both supported the core charitable activities of the organisation.

The Eveson Trust provided funds for work with 12-16 year olds. This work will be delivered in 2024-25.

The Holiday Activities and Food Programme and the YES Programme, both operated by Wolverhampton City Council, supported work with young people in the school holidays.

Arts Council England

NAC was successful in July 2023 as the lead body in securing £850,000 over three years for the Place Partnership Fund programme of work Wolverhampton: City of Youth Culture together with partners Wolverhampton City Council, Wolverhampton Music Service, Gazebo TIE, Wolverhampton CEP and Learn/Play Foundation. Together with match funding, the total project value is £950,000.

ORGANISATIONAL DEVELOPMENT

The Board was further strengthened with the recruitment of Lynn Court at the December 2023 AGM.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

PLANS FOR FUTURE PERIODS

NAC will complete the works enabled by £1.5 million investment programme from the Towns Fund and as part of this secure a long-term lease on the site with Wolverhampton City Council, following purchase of the half of the site owned by City of Wolverhampton College.

APEC Architects will continue to develop the masterplan for the site development during 2024-25 and we anticipate their work will reach RIBA Stage 4.

NAC will continue to deliver the final year of its NPO programme from Arts Council England and look to secure funding for future programmes.

NEWHAMPTON ARTS CENTRE
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Financial Review

The charity's financial position is laid out in the balance sheet and financial statements. Total funds of the charity at 31 March 2024 were £468,086 (2023: £316,090).

At the end of the year under review there were free reserves of £225,642 (2023: £225,143).

Trustees investment powers and policy on reserves

The trustees have power to invest and expend the funds of the charity in such a manner as they shall consider most beneficial for the achievement of the objects in accordance with the Articles of Association of the charity.

Reserves in this context constitute all funds held in cash, at the charity's bankers, or in the form of other current, medium or long term investments, which form part of the charity's unrestricted funds available for expenditure on the charity's charitable purposes.

Newhampton Arts Centre is currently dependent on earned income from renting out facilities, room hire and event income. In addition there is income from fundraising (with support from organisations such as the NACTivists), donations and, where successful, grant and funding applications to sustain its activities. The purpose of having a written reserves policy is to ensure that trustees abide by the Articles of Association of the Newhampton Arts Centre and provide information for potential funders.

The purpose of the reserves is to:

1. Provide funds for urgent priorities not covered in the annual budget such as building and equipment repair and replacement and other urgent requirements as agreed by the board.
2. Supplement annual expenditure where necessary at the end of the financial year.
3. Provide for three months running costs including all recurring predictable expenses such as salaries and benefits, utilities, rentals and ongoing professional services, to enable the charity to fulfil its debts and obligations and wind-up costs in the event of enforced closure.

The reserves should be held in an account aimed to generate a better return on funds than those available on an ordinary current account but still sufficiently flexible to be accessed to meet urgent priorities. The amount of the reserves will be calculated each financial year as part of the annual budget but will have a dynamic role and will be subject to review and adjustment in response to internal and external changes. It has been calculated that reserves of 25% of turnover would be needed to continue running for at least three months. This policy will be kept under review in relation to any changes in circumstances.

NEWHAMPTON ARTS CENTRE
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Small Company Provisions

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

The trustees' annual report (incorporating the directors' report) was approved on _____ and signed on behalf of the board of trustees by:

WENDY ANN STEPHENS
CHAIR OF BOARD OF TRUSTEES

W Stephens

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NEWHAMPTON ARTS CENTRE
(Company Limited by Guarantee)

Independent Examiner's Report to the Trustees of Newhampton Arts Centre
for the Year Ended 31 March 2024

I report on the financial statements for the year ended 31 March 2024, which comprise the Statement of Financial Activities, the Balance Sheet, the statement of Cash Flows and the related notes.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity'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 (ICAEW).

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

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

NEWHAMPTON ARTS CENTRE
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Independent Examiner's Report to the Trustees of Newhampton Arts Centre
for the Year Ended 31 March 2024

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
- have not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mr G Murrall FCA, on behalf of
DAW WHITE MURRALL
Chartered Accountants
1 George Street
Snow Hill
Wolverhampton
WV2 4DG

NEWHAMPTON ARTS CENTRE
(Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2024

| | Notes | Unrestricted £ | Restricted £ | Total 2024 £ | Total 2023 £ |
|---|-------|-------------------|-----------------|--------------------|--------------------|
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Donations and legacies | 2 | 26,649 | - | 26,649 | 4,070 |
| Charitable activities | | | | | |
| Grants | 3 | 253,145 | 229,628 | 482,773 | 255,750 |
| Earned income | 4 | 317,392 | - | 317,392 | 306,707 |
| Other income | 5 | 363 | - | 363 | 1,737 |
| Investment income | | 3,852 | - | 3,852 | 251 |
| Total Income and Endowments | | 601,401 | 229,628 | 831,029 | 568,515 |
| EXPENDITURE: | | | | | |
| Charitable activities: | | | | | |
| Direct costs | 6 | 105,847 | 56,109 | 161,956 | 199,520 |
| Support costs | 6 | 488,266 | 17,811 | 506,077 | 487,870 |
| Raising funds | 7 | 11,000 | - | 11,000 | 4,200 |
| Total Expenditure | | 605,113 | 73,920 | 679,033 | 691,590 |
| NET INCOME/(EXPENDITURE) | | (3,712) | 155,708 | 151,996 | (123,075) |
| Transfers between Funds | | (139) | 139 | - | - |
| Fund balances at 1 April 2023 | | 252,562 | 63,528 | 316,090 | 439,165 |
| TOTAL FUNDS CARRIED FORWARD AT 31 MARCH 2024 | | 248,711 | 219,375 | 468,086 | 316,090 |

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes form part of these financial statements

NEWHAMPTON ARTS CENTRE
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BALANCE SHEET
AT 31 MARCH 2024

| | Notes | 2024 £ | 2023 £ |
|--|-------|-----------|-----------|
| FIXED ASSETS | | | |
| Tangible assets | 10 | 65,031 | 58,429 |
| CURRENT ASSETS | | | |
| Stock | 11 | 2,469 | 1,978 |
| Debtors | 12 | 27,446 | 50,227 |
| Cash at bank and in hand | | 413,971 | 250,881 |
| | | 443,886 | 303,086 |
| CREDITORS | | | |
| Amounts falling due within one year | 13 | (40,831) | (45,425) |
| NET CURRENT ASSETS | | 403,055 | 257,661 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 468,086 | 316,090 |
| FUNDS | | | |
| Unrestricted funds | 15 | 248,711 | 252,562 |
| Restricted funds | 16 | 219,375 | 63,528 |
| TOTAL FUNDS | | 468,086 | 316,090 |

For the year ending 31 March 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved by the Board on and signed on its behalf by:

WENDY ANN STEPHENS
CHAIR OF BOARD OF TRUSTEES

The notes form part of these financial statements

W. Stephens

10/12/24

NEWHAMPTON ARTS CENTRE
(Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
AT 31 MARCH 2024

| | Notes | 2024 £ | 2023 £ |
|--|-------|-----------|-----------|
| Cash provided by operating activities | a | 177,600 | (155,187) |
| Cash flows from investing activities: | | | |
| Interest income | | 3,852 | 251 |
| Purchase of tangible fixed assets | | (18,362) | (3,362) |
| Cash provided by/(used in) investing activities | | (14,510) | (3,111) |
| Increase/decrease in cash and cash equivalents in the year | | 163,090 | (158,298) |
| Cash and cash equivalents at the beginning of the year | b | 250,881 | 409,179 |
| Cash and cash equivalents at the end of the year | b | 413,971 | 250,881 |

a Reconciliation of net income/(expenditure) to net cash flow from operating activities

| | 2024 £ | 2023 £ |
|---|-----------|-----------|
| Net (expenditure)/income for the year as per the SOFA | 151,996 | (123,075) |
| Adjusted for: | | |
| Depreciation | 11,760 | 10,307 |
| Loss on fixed asset disposals | - | - |
| Investment income | (3,852) | (251) |
| (Increase)/decrease in stock | (491) | 888 |
| (Increase)/decrease in debtors | 22,781 | (26,403) |
| Increase/(decrease) in creditors | (4,594) | (16,653) |
| Net cash provided by operating activities | 177,600 | (155,187) |

b Analysis of cash and cash equivalents

| | 2024 £ | 2023 £ |
|--------------------------|-----------|-----------|
| Cash at bank and in hand | 413,971 | 250,881 |

NEWHAMPTON ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

1.1 General Information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Dunkley Street, Wolverhampton, West Midlands, WV1 4AN.

1.2 Statement of Compliance

These financial statements have been prepared in compliance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective from 1st January 2015 - Charities SORP (FRS 102) and the Companies Act 2006.

1.3 Accounting Policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Funds accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future projects or commitments.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

NEWHAMPTON ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Income

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

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

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support cost and costs relating to the governance of the charity.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

NEWHAMPTON ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Tangible fixed assets

All fixed assets are initially recorded at cost and subsequently stated at cost less any accumulated depreciation. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------|-------------------|
| Fixtures and fittings | 10% straight line |
| Equipment | 10% straight line |
| Computer equipment | 33% straight line |

Impairment of fixed assets

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the statement of financial activities.

Financial instruments

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Stock

Stock is included at the lower of cost or net realizable value.

Pensions

Defined pension contributions payable to the charity's pension scheme are charged to the statement of financial activities in the period to which they relate.

NEWHAMPTON ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. DONATIONS AND LEGACY INCOME

| | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total 2024 £ | Total 2023 £ |
|---------------------------|----------------------------|--------------------------|--------------------------|--------------------|--------------------|
| Fundraising and donations | 26,649 | - | - | 26,649 | 4,070 |
| | 26,649 | - | - | 26,649 | 4,070 |

3. GRANTS RECEIVABLE

| | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total 2024 £ | Total 2023 £ |
|------------------------------|----------------------------|--------------------------|--------------------------|--------------------|--------------------|
| The Foyle Foundation | - | - | 20,200 | 20,200 | - |
| Arts Council England | 251,145 | - | - | 251,145 | 183,312 |
| LCEP | - | - | *(2,135) | (2,135) | - |
| Roger & Douglas Turner Trust | 2,000 | - | - | 2,000 | - |
| HAF/YES | - | - | 23,379 | 23,379 | 21,848 |
| Youth Culture Project/LCEP | - | - | 190,563 | 190,563 | 6,135 |
| Eveson Trust | - | - | - | - | 15,001 |
| Garfield Weston Foundation | - | - | - | - | 15,000 |
| Architectural Heritage Fund | - | - | *(2,379) | (2,379) | 10,679 |
| Wolverhampton College | - | - | - | - | 3,775 |
| | 253,145 | - | 229,628 | 482,773 | 255,750 |

*The negative balances here are due to expectations in the 2022/23 accounts of grants due in 2023/24 which turned out to be overstated.

NEWHAMPTON ARTS CENTRE
(Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

4. EARNED INCOME

| | Unrestricted Funds | Designated Funds | Restricted Funds | Total 2024 | Total 2023 |
|--------------------------------|-----------------------|---------------------|---------------------|----------------|----------------|
| | £ | £ | £ | £ | £ |
| Rental income | 99,203 | - | - | 99,203 | 91,111 |
| Theatre and room hire | 89,717 | - | - | 89,717 | 104,976 |
| Show income | 87,471 | - | - | 87,471 | 64,247 |
| Workshop income | 75 | - | - | 75 | - |
| Bar and vending machine income | 40,926 | - | - | 40,926 | 46,373 |
| | <u>317,392</u> | <u>-</u> | <u>-</u> | <u>317,392</u> | <u>306,707</u> |

5. OTHER INCOME

| | Unrestricted Funds | Designated Funds | Restricted Funds | Total 2024 | Total 2023 |
|----------------------|-----------------------|---------------------|---------------------|---------------|---------------|
| | £ | £ | £ | £ | £ |
| Miscellaneous income | 363 | - | - | 363 | 1,737 |
| | <u>363</u> | <u>-</u> | <u>-</u> | <u>363</u> | <u>1,737</u> |

NEWHAMPTON ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

6. COST OF OPERATION OF THE ARTS CENTRE

| | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total 2024 £ | Total 2023 £ |
|---------------------------------|----------------------------|--------------------------|--------------------------|-----------------------|-----------------------|
| Direct Costs | | | | | |
| Show costs | 69,771 | - | - | 69,771 | 52,291 |
| Workshops | 2,675 | - | 56,109 | 58,784 | 114,560 |
| Catering and bar | 22,402 | - | - | 22,402 | 20,345 |
| Printing and publicity | 10,999 | - | - | 10,999 | 12,324 |
| | <u>105,847</u> | <u>-</u> | <u>56,109</u> | <u>161,956</u> | <u>199,520</u> |
| Support Costs | | | | | |
| Staff costs | 315,121 | - | 5,600 | 320,721 | 300,291 |
| Training and recruitment | 225 | - | - | 225 | 900 |
| Office costs and administration | 4,655 | - | - | 4,655 | 4,321 |
| Rent | - | - | - | - | - |
| Rates and water | 9,352 | - | - | 9,352 | 11,376 |
| Light and heat | 50,879 | - | - | 50,879 | 34,569 |
| Insurances | 3,462 | - | - | 3,462 | 2,608 |
| Maintenance of premises | 10,076 | - | 6,196 | 16,272 | 35,622 |
| Cleaning | 68,275 | - | - | 68,275 | 62,449 |
| Licenses and affiliations | 5,078 | - | - | 5,078 | 1,967 |
| Telephone and broadband | 1,445 | - | - | 1,445 | 1,587 |
| Travel and entertaining | 477 | - | - | 477 | 690 |
| Bank and credit card charges | 1,770 | - | - | 1,770 | 2,219 |
| Miscellaneous expenses | 4,547 | - | - | 4,547 | 12,944 |
| Legal and professional fees | 3,327 | - | - | 3,327 | 2,600 |
| Accounting fees | 3,832 | - | - | 3,832 | 3,420 |
| Depreciation | 5,745 | - | 6,015 | 11,760 | 10,307 |
| | <u>488,266</u> | <u>-</u> | <u>17,811</u> | <u>506,077</u> | <u>487,870</u> |
| Total Operational Costs | <u>594,113</u> | <u>-</u> | <u>73,920</u> | <u>668,033</u> | <u>687,390</u> |

7. FUNDRAISING

| | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total 2024 £ | Total 2023 £ |
|----------------------|----------------------------|--------------------------|--------------------------|--------------------|--------------------|
| Fundraising expenses | 11,000 | - | - | 11,000 | 4,200 |
| | <u>11,000</u> | <u>-</u> | <u>-</u> | <u>11,000</u> | <u>4,200</u> |

NEWHAMPTON ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. TAX ON ACTIVITIES

The company is a registered charity and as such is not liable for taxation on any surplus in the year.

9. STAFF COSTS

| | 2024 | 2023 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 298,830 | 280,955 |
| Employers national insurance | 14,743 | 12,815 |
| Employers pension contributions | 7,148 | 6,521 |
| | <u>320,721</u> | <u>300,291</u> |

No staff member received remuneration in excess of £60,000 (2023: none).

During the year the charity paid pension contributions totalling £7,168 (2023: £6,521) into the defined contribution group personal pension scheme.

The key management personnel comprise the members of the Management Team. The total amount of employee benefits (including employer pension contributions) received by the management team for their services to the charity for the year was £69,785 (2023: £63,858).

The trustees did not have any expenses reimbursed during the year (2023 - nil).

NEWHAMPTON ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

10. TANGIBLE FIXED ASSETS

| | Fixtures, Fittings & Equip £ | Computer Equipment £ | Total £ |
|-------------------------|---------------------------------------|----------------------------|----------------|
| Cost | | | |
| At 1 April 2023 | 112,155 | 12,005 | 124,160 |
| Additions | 17,795 | 567 | 18,362 |
| Disposals | - | - | - |
| At 31 March 2024 | 129,950 | 12,572 | 142,522 |
| Depreciation | | | |
| At 1 April 2023 | 55,540 | 10,191 | 65,731 |
| Charge for the year | 10,461 | 1,299 | 11,760 |
| At 31 March 2024 | 66,001 | 11,490 | 77,491 |
| Net Book Value | | | |
| At 31 March 2024 | 63,949 | 1,082 | 65,031 |
| At 31 March 2023 | 56,615 | 1,814 | 58,429 |

11. STOCK

| | 2024 £ | 2023 £ |
|-----------------|--------------|--------------|
| Bar | 2,469 | 1,978 |
| Vending machine | - | - |
| | 2,469 | 1,978 |

12. DEBTORS

| | 2024 £ | 2023 £ |
|-------------------------------|---------------|---------------|
| Trade debtors | 25,477 | 26,887 |
| Other debtors and prepayments | 1,969 | 23,340 |
| | 27,446 | 50,227 |

NEWHAMPTON ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

| | 2024 £ | 2023 £ |
|---------------------------------|---------------|---------------|
| Trade creditors | 4,250 | 4,739 |
| Taxes and social security costs | - | 3,590 |
| Other creditors and accruals | 36,581 | 37,096 |
| | <u>40,831</u> | <u>45,425</u> |

14. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme in respect to employees. Contributions are charged in the statement of financial activities as they fall due and amount in the year to £13,419 (2023: £12,476). At the balance sheet date there were outstanding contributions of £1,149 (2023: £1,620).

15. UNRESTRICTED FUNDS OF THE CHARITY

| | General Fund £ |
|--------------------------------|----------------------|
| Balance at 1 April 2023 | 252,562 |
| Movement in funds for the year | (3,712) |
| Transfers between funds | (139) |
| Balance at 31 March 2024 | <u>248,711</u> |

NEWHAMPTON ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16. RESTRICTED FUNDS

| | Balance at 1 April 2023 £ | Incoming Resources £ | Resources Expended £ | Transfers Between Funds £ | Balance at 31 March 2024 £ |
|--------------------------------|------------------------------------|----------------------------|----------------------------|------------------------------------|-------------------------------------|
| Capital Purchases | | | | | |
| Co-op/Esmee Fairbairn | 19,268 | - | (3,534) | 5,469 | 21,203 |
| ACE CRF 2 | - | - | (484) | 3,873 | 3,389 |
| D'Olye Cart | 2,400 | - | (300) | - | 2,100 |
| Foyle Foundation | - | 16,967 | (1,697) | - | 15,270 |
| Other Grants | | | | | |
| Foyle Foundation (bal) | - | 3,233 | - | - | 3,233 |
| Children & the Arts/StartArt | 2,888 | - | - | (2,888) | - |
| Garfield Weston Foundation (a) | 15,000 | - | - | (15,000) | - |
| HAF/YES grant | 6,971 | 23,379 | (27,631) | - | 2,719 |
| Roger & Douglas Turner CT | 2,000 | - | - | (2,000) | - |
| Youth Culture Project | - | 190,563 | (27,868) | (6,235) | 156,460 |
| LCEP | - | (2,135) | (4,100) | 6,235 | - |
| Eveson Trust | 15,001 | - | - | - | 15,001 |
| Architectural Heritage Fund | - | (2,379) | (6,196) | 8,575 | - |
| Esmee Fairbairn | - | - | (2,110) | 2,110 | - |
| | <u>63,528</u> | <u>229,628</u> | <u>(73,920)</u> | <u>139</u> | <u>219,375</u> |

- (a) Garfield Weston Foundation income was treated as restricted funds in the 2022/23 accounts, but have been reallocated to unrestricted funds in the 2023/24 accounts (see below).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

16. RESTRICTED FUNDS (continued)

Capital Purchases

| | |
|---|--|
| Co-op Foundation/Esmee Fairbairn Foundation | Funds to support the purchase of outdoor stage tent and associated equipment |
| Arts Council England CRF2 | Funds to support the organisation to adapt its facilities and recover from COVID restrictions |
| D'Oyly Carte Charitable Trust | Funds towards the purchase of a piano to support the jazz programme |
| Foyle Foundation | Support for the purchase of a new sound mixing desk for the theatre and associated sound equipment |

Other Grants

| | |
|---|---|
| Children and the Arts/StartArt | Funds for work with young people |
| Garfield Weston Foundation | Funding to support the programming of the organisation during this transition year post-COVID |
| HAF (Holiday Activities and Food Programme) | Funding disbursed by Wolverhampton City Council to support school holiday creative and food activities for families on means-tested free school meals |
| YES Programme | Funding from Wolverhampton City Council to support school holiday creative activities for families |
| Roger and Douglas Turner Charitable Trust | Funding to support the core costs of the organisation |
| Youth Culture Project | Funding from Arts Council England to support a three-year programme of work with young people, Wolverhampton City of Youth Culture. |
| LCEP | Funds received from Arts Connect to support the costs of the Wolverhampton Local Cultural Education Partnership |
| The Eveson Trust | Funds to support participatory visual arts work with young people aged 11-16 |
| Architectural Heritage Fund | Support for an Options Appraisal to be carried out by a registered architect on the future options for the site |
| Esmee Fairbairn Foundation | Grant towards a community mapping project |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

17. ANALYSIS OF RESERVES

| | Restricted Funds £ | Designated Funds £ | Unrestricted Funds £ | Total £ |
|--------------------|--------------------------|--------------------------|----------------------------|------------|
| Fixed assets | 41,962 | - | 23,069 | 65,031 |
| Net current assets | 177,413 | - | 225,642 | 403,055 |
| Total | 219,375 | - | 248,711 | 468,086 |

18. EMPLOYEE NUMBERS

The average number of persons employed by the company during the year amounted to 21 (2023: 17).