

Company number: 03589539 (England and Wales)
Charity number: 1076251

Baltic Flour Mills Visual Arts Trust
(A Company Limited by Guarantee)

Report and Financial Statements

For the Year Ended 31 March 2025

Baltic Flour Mills Visual Arts Trust
(A Company Limited by Guarantee)

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Baltic Flour Mills Visual Arts Trust
(A Company Limited by Guarantee)

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT
FOR THE YEAR ENDED 31 March 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Charity number: 1076251
Company number: 03589539
Registered office: Baltic Centre for Contemporary Art, Gateshead Quays, South Shore Road, Gateshead, Tyne & Wear, NE8 3BA

Advisors

Auditors S&W Audit 17 Queens Lane, Newcastle upon Tyne, NE1 1RN
Bankers Virgin Money Northumberland Street, 132-134 Northumberland Street, Newcastle upon Tyne, NE1 7DG

Trustees: A W Donaldson
C Donovan (Resigned 25 July 2025)
J G Gamble
K P Lang
M A Sealy (Resigned 25 July 2025)
T R Stirling Love
K C Wexford Campbell
P C Gentry (Resigned 25 July 2025)
T J Gray
J Cibic
N J Catterall
C S L Staehr
V J Barron
J P Beer
K J Fernandes
H P Kelly

Key Management Personnel:

S Munro – Director
I Aristizabel – Head of Curatorial and Public Practice
K Gray – Director of Enterprise and Public Value (Resigned July 2025)

**TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT
FOR THE YEAR ENDED 31 March 2025**

The Trustees (who are also the Directors of the charity for the purposes of company law) present their annual report and audited financial statements of Baltic Flour Mills Visual Arts Trust for the year ended 31 March 2025.

BALTIC Annual Review, 2024/25

BALTIC has spent the year delivering on our mission, vision, purpose and values, being guided by these as we navigate both the challenges and opportunities in a time of decreasing public funding. BALTIC continued to provide a free inclusive public space, a beacon, which inspired and connected our communities and audiences through the best contemporary art and creativity, welcoming both locals & visitors throughout the year.

We focused on enhancing new income streams and developing an endowment, whilst concurrently controlling our costs.

Our Mission

We are a home for creativity and curiosity
– we create new experiences

Our Vision

We believe in a world where art connects and empowers people, building empathy and kindness
– we are collaborative

Our Purpose

We forge positive futures and grow belonging
– we generate value for all.

Our Values

Progressive: A progressive organization is ethical and innovative.

Creative: A creative organization is curious and courteous.

Listening: A listening organisation is relevant and responds.

Accountability: An accountable organisation is transparent and rigorous.

Courage: A courageous organisation is bold and takes risks.

Equity: An equitable organisation values equality, inclusion, diversity and belonging.

Sustainability: A sustainable organisation is resourceful and conscious

Organisation Characteristics and aims.

Clear Cause – we know and understand our shared cause.

Collaborative model – everyone is linked through shared aims.

Legitimacy through intersection of Community, Culture and Commerce.

Aims;

Creative Ambition - collaborative with the sector and growing cultural value.

Access - collaborative with the public and growing social value.

Sustainability - collaborative beyond the sector and growing economic value.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT (*Continued*)
FOR THE YEAR ENDED 31 March 2025

ORGANISATIONAL HIGHLIGHTS 23/2024

Gallery of Sanctuary - awarded by City of Sanctuary UK in 2022 it is now foundational to the purpose of the centre. This recognises our Neighbourly programme which supports the social, communal, faith, language, and vocational lives of newly arrived communities across the borough. We share the resources and facilities available at our organisation, working collaboratively with artists in creative processes that bring people together. Our community co-produces a programme that includes an annual Open Iftar, Holi and Nowruz celebration, monthly Language Cafés and Creative Sessions, a weekly International Art Club and regular volunteer and employment opportunities.

BxNU - Secured our leading partnership in teaching and learning with Northumbria University, continuing a 3-year agreement with enhanced focus on Research. This collaboration hosted a major international conference.

Front Room – Radical Hospitality and Kindness as practice. An improvised response to a financial challenge that has led to innovative new practice and leadership for BALTIC across the wider sector. Front Room with its pay what you feel café and kind conversation space handed out over 60,000 cups of free hot drinks over the year and saw an increase of 100% in uptake of CREW tours of the exhibition programme.

Birds, Bees, Bikes and Trees - Between April 2024 and March 2025, this project—a collaboration with North East Young Dads & Lads (NEYDL) and Newcastle University, funded by over £584,000 from The National Lottery Community Fund. The initiative empowers young fathers to develop new green skills—beekeeping, bike maintenance, horticulture, arboriculture—and share them publicly. By engaging **180 young men, 30,000 schoolchildren, and 10,000 local residents**, the project creates a ripple effect in environmental awareness and action. Activities include guided bee-talks from Baltic's rooftop hives, kittiwake bird walks, climate clubs in the Front Room, cycling tours, artistic workshops, and “down-on-your-doorstep” tours tailored for families with prams and mobility aids. The goal: shift perceptions of young dads as climate role models and embed nature into daily urban life. Crucially, the programme includes the creation of a “**Spaces for Nature Garden**” at the front of the Baltic building planned to be delivered in 2025. This green space transforms the gallery entrance into a welcoming, biodiverse environment—featuring pollinator-friendly plants and gathering areas—bringing the project's ethos into the public realm and offering a tangible daily reminder of urban nature's value.

Health and Safety Comprehensive Training Programme – Established an organisational wide, top to bottom, approach to ensuring best practice in Health and Safety on accredited courses continued with an emphasis on Health and Safety Culture throughout the organisation.

The Baltic Endowment for Creative Futures – Baltic believes in the power of art and creativity to bring joy, build bridges and connect communities. This new restricted fund will support the creative spark of the North East in perpetuity through annual investment income to form a lasting legacy. There is a target to raise £10,000,000 which will create income to contribute to; Baltic's UK & international leadership in contemporary art, supporting children and young people to participate in the arts, support our iconic building and connect communities through creative wellbeing.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 March 2025

Financial Review

The financial statements for the year to 31 March 2025 report a surplus of £1,532,914 (2024 - £70,879).

Principle funding sources

During the financial year 2024/25, BALTIC received exceptional financial support arising from the reallocation of pension liabilities and the establishment of the BALTIC Endowment Fund. These items are non-recurring, specific to this reporting period, and are not related to the organisation's routine operational funding requirements.

Economic Impact

We provide over 100 high quality jobs with an annual salaries investment in excess of £2.6m.

Over the last two decades the existence of BALTIC has driven up property value in Gateshead Quays, leading to inward investment and regeneration and directly strengthened regional identity and tourism appeal. BALTIC is an iconic brand for Gateshead, Newcastle and the region. For every £1 invested by Gateshead Council we generated £48. Using a conservative multiplier of 1.7, BALTIC generates an estimated £48.4 million annually in total economic impact. Supporting wider jobs in hospitality, retail, and transport, stimulating local supply chains, and driving re-spending by employees, businesses and visitors connected to its operations. BALTIC place based impact is a vital cultural and economic engine for the region.

Brand and Audience Highlights

From April 2024 to March 2025 BALTIC welcomed 362,852 visits. In the 2024 (calendar year) Baltic has been confirmed as being the second most visited free attraction (and the most visited gallery or museum) in 2024 in the North East in VisitBritain's annual published report. On average, visits to Baltic lasted for 93 minutes in 2024/25, with almost a third (29%) lasting two hours or more.

The visits by origin profile remains consistent to the previous year with those from Tyne and Wear (43%) and the rest of the North East (22%) still accounting for almost two-thirds (65%) of all visits.

The age profile of visitors sees the proportion of under 16s (21%) is at its highest level with 25-24 being the largest ratio at 32% followed by 24% being 45-64.

In 2024/25 Families remained the largest visit mode at Baltic, increasing by 3-percentage points from 41% in 2023/24 to 44%. There has been a significant increase in the proportion of Engaged families (from 6% to 9% in 2024/25) – representing a real terms increase of 6k Engaged family visits.

In 2024/25, the proportion of non-white ethnicity (black or people of colour) visits remained in line with the previous year at 10%, which in real terms is 33k, significantly higher proportionally than pre-Covid figures at Baltic of 2%.

2024/25 saw a significant increase in visits identifying as D/deaf, disabled or having a long- term health problem, increasing from 6% to 10%. In real terms the number of D/deaf visits has increased by 11k from 22k in 2023/24 to 33k in 2024/25.

There has been an uplift in exhibition driven visits in 2024/25, with just under 1 in 5 (18%) visits attracted by the exhibition programme. Overall, intentional visits remain at the high level of 73%. 25% of those on intentional visits came to Baltic for exhibition-specific reasons (significantly higher than the average 18%). Incidental visitors were more 'building-focused', more likely to come to Baltic for a general visit to the see the building (51% vs 43%) or to see the views of Newcastle/Gateshead (10% vs 7%).

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT (Continued)
FOR THE YEAR ENDED 31 March 2025

From 2019/20 to 2022/23 Baltic's Net Promoter Score (NPS) was consistent, increased significantly to 82 in 2023/24 and has been maintained at 82 for the second year running. Visitors on 94% of visits said they were either very likely (76%) or quite likely (18%) to visit again in the future, in line with the figure of 95% recorded last year.

All exhibitions were rated highly, whilst the Franki Raffles photography retrospective was the most highly rated exhibition, with 64% rating it as 'very good' and a further 32% as 'quite good', this was significantly higher for those with intellectual outcome (86% 'very good'). 79% of visits to Baltic in this period included the Baltic Open Submission exhibition - 60% rated the exhibition as 'very good', with a further 35% rating it as 'quite good'.

The significant uplift in front of house staff/Baltic Crew being the most enjoyed element of a visit in 2023/24 (52%) has been maintained and improved upon in 2024/25 (56%). The exhibition programme, in terms of affording the opportunity to see work visitors couldn't see elsewhere (54%) and the exhibiting artists (53%) were also standout elements for the majority of visitors.

Programme Highlights 24-25

Over the course of April 2024 to March 2025, BALTIC maintained a vibrant balance across its curatorial programme—supporting activist histories, environmental narratives, local talent, and interactive engagement. From Franki Raffles' urgent social-documentary to Mani Kambo's spiritual textiles, from community-led marketplaces to playful interactive installations, the gallery demonstrated deep commitment to inclusion, reflection, and sustainability.

This layering of plural voices and experimental practices underlines BALTIC's ongoing role as a regionally rooted yet globally relevant institution, offering intellectually rich experiences for broad audiences through 2024–25.

From April 2024 to March 2025, BALTIC delivered a compelling and wide-ranging exhibition programme, engaging visitors with diverse voices—spanning activism, environmental reflection, material innovation, and playful community led experiences.

Baltic Open Submission, in association with Fenwick

16 March – 01 September 2024

A regional creative showcase featuring up to 100 works—painting, sculpture, photography, video—submitted by self-taught and emerging artists from the North East, alongside contributions from established practitioners. Highlights included photography by Phyllis Christopher, immersive underground-inspired sculpture by Holly Hendry, and a new unseen painting by comedy legend-cum-artist Vic Reeves (Jim Moir).

This democratic platform graced Baltic's Ground Floor gallery, nurturing local talents and promoting cultural participation.

Franki Raffles: Photography, Activism, Campaign Works

11 May 2024 – 16 March 2025

A major retrospective spotlighting the radical work of feminist activist-photographer Franki Raffles (1955–1994). The exhibition encompasses around 300 previously unprinted images—drawn from an archive of 40,000 negatives—covering her 1984–94 period across the UK, USSR, China, Zimbabwe, Israel, and Palestine. The Guardian praised the powerful documentation of women's resilience in industrial, poverty-stricken and politically tumultuous settings. Visual documentation of low-paid, often invisible women's labour, Archival campaign work, like domestic-violence posters and globally-resonant activist narratives.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 March 2025

Joanne Coates: The Vasseur Baltic Artists' Award (aka Middle of Somewhere)

11 May – 17 November 2024

Emerging photographer Joanne Coates portrayed young, low-income women in remote rural UK locations like the Orkney Islands and Yorkshire Dales. The show combined portraits and landscapes with film and audio, evoking issues of rural poverty, climate anxiety, and precarious livelihoods.

Coates connected with Franki Raffles' documentary lineage, highlighting rural class and gender inequality in evocative visual form.

Hannah Perry: Manual Labour

22 June 2024 – 14 January 2025

A Level 4 gallery commission from Liverpool-born artist Hannah Perry, exploring themes of labour, class, gender, and mental health through industrial materials—sheet metal, car lacquers, hydraulics and body wrap. A dynamic sculpture and film work dissect the emotional toll of precarity and the strains of working-class life.

Notable aspects included a visceral, material translation of personal and regional identity and a critique of capitalism's impact on working-class physical and mental landscape

Leap Then Look: Play, Interact, Explore

12 October 2024 – 1 June 2025

An interactive, tactile, and sculptural installation brimming with colour and engagement—appealing to all ages. This exhibition invited direct visitor interaction, blurring lines between art and play. It created a playful space for sensory discovery, social interaction, and inclusive participation.

We All Came Here From Somewhere

23 November 2024 – 9 February 2025

A collaboration with the learning department this was a community-focused showcase developed with Baltic's Neighbourly programme. It foregrounded collaborative contributions from migrant and refugee groups, presenting objects, artwork, and stories highlighting inclusivity and place-making. This was an important display in the heart of Baltic which called for social integration and cultural diversity, reflecting Baltic's civic mission.

Mani Kambo: Ax·is Mun·di

7 December 2024 – 1 June 2025

New commission from Newcastle-based multidisciplinary artist Mani Kambo. Rooted in her Sikh heritage and superstition, the show featured imagery through textiles, printmaking, dyeing, and performative process. It dealt with ritual, reincarnation, caste memories, and mysticism Kambo began her journey to be an artist through Baltic's Young People's programmes and navigates ancestral histories, spiritual symbolism—offering a poetic meditation on identity.

Heartwood (Sycamore Gap)

23 October 2024 – 26 January 2025

Printmaker Shona Branigan's creation, featuring bespoke prints derived from cross-sections of the famed Sycamore Gap felled tree on Hadrian's Wall.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 March 2025

Photo-Sensitive

20 November 2024 – 23 March 2025

A new lightbox commission conceived by Baltic's Young Producers, focusing on photographic and light-based artwork. Showcased youth-led curatorial development in large-scale public displays.

Michael Rakowitz: The Waiting Gardens of the North

Until 26 May 2024

This living installation revitalised Baltic's Level 4 with edible and aromatic plants, herbs, and trees—a Northern reimagining of the Hanging Gardens of Babylon—shaped by local migrant communities and centred on a new commissioned artwork. Supported by a grant from the Imperial War Museum the impact of the project was to combine ecological and cultural symbolism; sensory-engaged and community-rooted.

Stepping Softly on the Earth

Until 14 April 2024

An environmentally-themed survey that joined together over 20 non-Western and Indigenous artists to challenge human-centric worldviews. Sourced with sustainability at its core—reused materials, local AV, minimised travel. Supported by the British Council this project positioned Baltic as a model for eco-aware exhibition-making, with ethically driven practices.

Events & Pop-Ups

Project Art Works: Residential (Sept 2023–Feb 2024), staged residencies and neurodivergent peer collaborations. Reveal – Fine Art 2025 (May), Northumbria University fine art graduates presenting at Baltic.

As part of the Artists Development Programme we initiated long-term collaborations with Sue Loughlin – a local artist, NewBridge studio holder and Baltic freelance artist – who is developing a project, MOTHEROTHER, that seeks to support artists and curators who have caring responsibilities; and the Making Time group, which is a virtual group for neurodivergent artists, writers and researchers in performance / visual arts set up by Grace Denton. We also hosted a networking event for the artists participating in Hinterlands.

Learning & Civic Engagement Highlights

BALTIC's learning programmes provide opportunities for all visitors to discover new ways of seeing, thinking and learning through contemporary art. Beyond our gallery, targeted community programmes seek to expand and exchange creative participation, increase community and civic engagement, and create new social connections. BALTIC's Learning and Civic Engagement initiatives include independent or facilitated sessions, visiting Learning Lounge or Sensory Space and engaging in Baltic's digital learning offer. BALTIC did not host a Play led exhibition in the year but attendances of families remained high but pre pandemic levels of attendance are returning, over the 5 days BALTIC open.

Overall 81,058 visitors actively took part in the Learning and Civic Engagement Programme both within BALTIC and offsite. This number is 43% increase on last years total of 55,453.

Of this, there were 1,227 engagements offsite. This includes activity in schools, community spaces and at festivals. Of this activity 71% of these sessions happened in Gateshead. Overall, 105,488 people engaged with BALTIC Learning and Civic Engagement by taking part in independent or facilitated sessions and/or visiting the Library or engagement through our digital content.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 March 2025

128,139 people visited The Learning Lounge, BALTIC's Learning Space. 35,189 children and their families took part in our family learning programme engaging in large-scale family events, with artist workshops, toddler workshops, accessible sessions, and gallery resources. All these participants took part in these sessions for free.

Attendance for our large-scale family events, Big Days Out was attended by 15,928 visitors who engaged in 50 organized activities. As part of our pre-school offer, there were 292 engagements where Baltic Crew led Wonder & Wander sessions for early years audiences.

Young People made up 1,931 engagements. This included attending weekly Art Mix and Young Producer sessions, artist workshops, summer schools, trips and tours, and work experience placements and residencies.

There were 16,975 engagements across our large-scale community events such as Holi Festival, Open Iftar, Nowruz, Refugee Week and Language Café events. 6,059 individuals took part in short, informal tours provided by BALTIC Crew across 829 individual sessions. These included Exhibition Spotlight tours, Quayside tours, Behind the Scenes Tours, walking Tours and Wander & Wander activity sessions. There were 11,138 learning engagements in Front Room, taking advantage of its everyday offers/hospitality, weekly events/activities and larger-scale events and talks.

Financial Sustainability highlights

New values led income generating opportunities were achieved across departments to safeguard Baltic's financial sustainability and resilience.

In Fundraising Following the Summer 2023 launch of Baltic's donations campaign Keep Baltic Free, donations have risen by 9% from 23-24 against a footfall decrease of 10%.

Corporate Sponsorship/Philanthropy: Highlights include Fenwick supporting the biennial 'Open Submission' exhibition. 'Baltic Stars' (SEND Schools programmes) supported by locally headquartered international insurer NorthStandard.

Individual Giving is maintained with a major gift to launch the Baltic Endowment Campaign from Sting. Trusts & Foundations Together with continued support from Foundation, Foundation and Lottery Community Fund and new partnerships with John Ellerman, Foyle Foundation.

An innovative User Experience project was undertaken to support in house donations. This led to 9% increase in donations in the first month of implementation.

New partnerships including activations of the North Wall generated £70,000 (100% increase).

Baltic Summer Sizzler which focus' on the Art Car Boot Fair returned and was the major attraction. Footfall was up 10% year on year.

The Riverside Kitchen was refurbished to allow for increased in house catering for events and hires.

Environmental Sustainability Highlights

Focused work in this area is producing results with a focus on three key areas;

Reduce energy use.

Reduce waste going to landfill and increase recycling.

Reduce staff travel.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT (Continued)
FOR THE YEAR ENDED 31 March 2025

A detailed waste Management Plan has been completed with 92% of waste being diverted from landfill.

Regeneration fitted to refurbished lifts reduced energy consumption by 52%.

Cycling buddy system introduced for staff.

Completed year two of Going Green Together, North East cohort working towards Bronze accreditation.

Working towards ISO-14001 Audit continues and is now included in Head of Facilities role.

The Environment Committee meets regularly Chaired by the Director of Enterprise and Public Value and has representation from all departments including a Green Champion from the Trust Board. The action plan is reviewed and updated regularly by this group.

Risk Management

BALTIC has adopted a risk management strategy. This forms part of BALTIC's overall internal control structure and corporate governance arrangements. The Strategy provides definitions of relevant terminology and details responsibility and accountability within BALTIC. The strategy also describes the management process, including the identification and measurement of risk and the main reporting arrangements.

Risk appetite is the term used to determine the amount of risk that is appropriate for BALTIC. Risks are considered on an individual basis using a risk model/register to determine the impact and likelihood of a potential risk.

The Risk Register is reported to the Finance and Audit Committee quarterly.

The Risk Register is reported to the Trust and Audit Committee as appropriate. The significant risks identified are:

- Loss of stakeholder income – as Arts Council England's largest visual arts National Portfolio Organisation BALTIC is particularly exposed to changes in government policy for arts funding. Whilst BALTIC has been successful in minimising the impact of possible reductions in stakeholder funding, it remains a significant risk.
- The general economic climate remains a risk to BALTIC in terms of achieving appropriate and adequate levels of earned income, through its subsidiary Baltic Contemporary Visual Arts Trading Limited, to deliver planned levels of charitable activity.

Reserves Policy

BALTIC maintains a formal reserves policy in accordance with Charity Commission guidance, with the objective of holding unrestricted reserves equivalent to at least three months of operating costs. This approach supports financial resilience and ensures the continuity of our charitable activities. In line with our commitment to long-term sustainability, we are working to build reserves gradually and responsibly, without compromising operational delivery and while addressing our deficit budget.

The Trustees have considered the Reserves policy they wish to follow with regard to BALTIC (inclusive of its subsidiary BALTIC Trading Company Ltd), in compliance with relevant legal, regulatory, tax and accounting rules e.g. in regard to use of endowments or other restricted funds. Generally, BALTIC also recognises that funds can be used only for the specific or broad purposes indicated at the time of fundraising. BALTIC expects to receive gifts, donations, legacies and bequests from philanthropists, trusts and the general public in addition to regular funding from Arts Council of England and Gateshead Council. Typically, receipts will be in cash but where a donation or gift is in another form, such as shares, property or artworks, Baltic may choose to donate or liquidate rather than hold the asset, subject to any conditions of the donor. The funds thus held and accumulated by Baltic are represented in its balance sheet as reserves. BALTIC may pool, for banking or investment purposes, any or all monies held in reserves, whether restricted or unrestricted reserves. Any investment income or capital gains/losses, whether realised or unrealised, will be apportioned pro-rata across all the reserves within the pooled investment. In the case of capital endowments, income and capital elements will be accounted for separately. Where a capital endowment has been depleted due to investment losses, there is assumed to be no obligation to reinstate the original capital balance.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 March 2025

BALTIC will hold both restricted and unrestricted reserves. Restricted reserves are subject to conditions and limitations on the use of the funds, usually due to specific conditions imposed by the donor/grant giver or general expectations set in fundraising campaigns. Unrestricted reserves are receipts that are unencumbered by conditions and may be utilised as BALTIC sees fit, in line with its Objects. BALTIC may choose to designate (and un-designate) portions of its unrestricted reserves for particular purposes, creating "unrestricted designated reserves" as opposed to "unrestricted general reserves". BALTIC determines the correct categorisation of funds at the time of receipt or designation.

Minimum "unrestricted general reserves"

In order to provide cover for unforeseen emergencies, including unexpected expenditure or loss of income or unforeseen winding up of the organisation the Trustees consider that they should hold in the balance sheet an unencumbered minimum cash reserve equal to three months of the normal operating cost base (exclusive of programme/marketing costs) plus any liabilities to pension and/or bond and/or deposits or a minimum of £750,000. It is accepted that this level may fluctuate and temporarily drop when the reserve is utilised. The target level of reserves will be calculated annually based on the year's budgeted expenditure.

Capital Project designated reserve

In addition to general reserves, BALTIC seeks to hold designated funds for capital expenditure contingencies (usually 10%) for any capital works undertaken. This provision is essential in light of rising reactive maintenance costs and the significant investment required to preserve and secure the future of our iconic historic building.

Review of Policy

The Board of Trustees is ultimately responsible for the management of reserves and will review the reserves policy annually. The accounting policies used in preparing the financial statements are unchanged from the prior year.

Financial Risk and management policy

The Trust's principal financial instruments comprise cash and cash equivalents. Other financial assets and liabilities, such as trade creditors and trade debtors, arise directly from the Trust's operating activities.

The main risks associated with the Trust's financial assets and liabilities are set out below. The Trust does not undertake any hedging activity and any significant financial risks are addressed on a case-by-case basis.

Interest Rate Risk

The Trust invests surplus cash in floating rate interest yielding bank accounts, therefore financial assets, interest income and cash flows can be affected by movements in interest rates. However, the Trustees do not consider there to be any significant exposure. The Trust has no bank borrowings.

Price Risk

There is no significant exposure to changes in the carrying value of financial liabilities.

Credit Risk

The Trust's policy is aimed at minimising such losses. Individual exposure and overdue debts are monitored with customers to ensure the Trust's exposure to bad debts is not significant.

Liquidity Risk

The Trust aims to mitigate liquidity risk by managing cash generated by its operations. Flexibility is maintained by retaining surplus cash in readily accessible bank deposit accounts. Limits on spending authority are in place.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT (*Continued*)
FOR THE YEAR ENDED 31 March 2025

Foreign Currency Risk

There are minimal transaction in foreign currency. As a result, no hedging activity is undertaken to mitigate this risk.

Investment Policy

The Trust ensures that any investment strategy it adopts does not put at adverse risk any of the assets it is responsible for.

Funds are placed on deposit at the highest possible interest rates, consistent with cash flow requirements.

Strategic Objectives

Strategic Objective 1: Develop and enhance BALTIC's reputation as an outstanding international art space, commissioning producing and presenting innovative work by a diverse range of artists that is conceptually rigorous, inspired by new perspectives and practices, has relevance and meaning for a wide range of audiences, and has the power to inspire ways of understanding the world.

Strategic Objective 2: Deepen engagement, appreciation and enjoyment of international contemporary art, continuing to develop BALTIC's position as an international leader not only in contemporary art production and presentation, but in creating innovative approaches that deepen engagement with diverse audiences and communities across all of our activities.

Strategic Objective 3: Increase BALTIC's resilience and deliver positive financial results.

Strategic Objective 4: Advance BALTIC's sectoral leadership.

Strategic Objective 5: Enhance the capacity for children and young people from diverse backgrounds to engage with and affect their world through their involvement with BALTIC's programmes.

The Trust's strategy for achieving the strategic objectives

- Deliver and monitor the organisational Business Plan in line with Arts Council England's National Portfolio funding agreement
- Maintain open and regular communication with Gateshead Council, Arts Council England and Northumbria University as a basis for ensuring mutually supportive and beneficial relationships.
- Further strengthen the artistic programme by working with significant and internationally acclaimed artists and be establishing relationships with major international institutions.
- Ensure that financial resources are used as effectively as possible and strive for greater efficiency across the organisation.
- Maximise self-generated income across trading activities, trusts and foundations, individual giving and corporate and strategic partnerships thereby making the organisation more resilient to fluctuations in public funding.
- Develop the Environmental Action Plan to ensure that the organisation's impact on the environment is monitored and minimised.
- Continue to promote and prioritise equality and diversity across all areas of BALTIC's activities an operations by implementing and monitoring effective action plans.
- Continue to deliver learning and engagement programmes that create demonstrable impact with individuals and communities.
- Continue to build intelligence on audience motivations, expectations and needs to inform the implementation of BALTIC's audience development strategy.
- Provide a consistent and excellent service for all visitors and users of BALTIC.10

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 March 2025

Fundraising

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The Trust is a charitable company limited by guarantee and was incorporated on 29 June 1998. It is governed by Memorandum and Articles of Association as amended and adopted on 15 July 2013.

Appointment of Trustees

From time to time it is necessary for the Trust to recruit new Trustees to replace those that have either resigned during their term of office, or by way of anticipating planned retirements after the completion of either a single term of three years, or a maximum period of six years, being two terms of three years.

It is the Trust's normal practice to place regional and national advertisements which invite interested and suitably experienced people to apply to be a Trustee, alongside making informal approaches to individuals who are already known to the Trust and who appear to have the necessary qualities and interest in what we do. Although not strictly a *public appointment*, when setting out the essential requirements of potential Trustees, the Trust chooses to make it known that it expects appointees to follow the seven principles of public life as defined by the Committee on Standards in Public Life.

Short-listed applicants are interviewed and assessed by a panel of existing Trustees chaired by the Chair of the Board. Appointments are subsequently recommended to the Board and approved by members of the company at the next General Meeting.

Induction and training of Trustees

The induction and training of Trustees is the responsibility of the Chair and is arranged on an individual or collective basis as appropriate. The Board of Trustees has introduced formal training sessions for the Board as a whole as and when appropriate.

All Trustees, as well as certain senior staff and the directors of the trading company, are required to declare, and maintain as continuing to be accurate, a declaration of interests. The Audit Committee review the Register of Interests on an annual basis.

Arrangements for setting key management personnel remuneration

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charity are, as noted in the reference and administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis.

The pay of the KMP is reviewed annually and potentially increased in accordance with pay proposals considered by the trustees for the salary structure of the whole organisation. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 March 2025

Organisational structure

BALTIC is governed by a Board of Trustees. The Chair of the Board is selected by a recruitment process led by the Director (Chief Executive) and Chair of the Recruitment subcommittee of the Board. In determining its organisational structure, BALTIC has distinct duties for the Chair, Board of Trustees, and Director (who is the Chief Executive).

The Board meets four times a year, or as required to deal with any specific issues. Issues concerning finance, including financial regulations, premises, asset management, the letting of significant contracts are scrutinized and overseen by the Finance and Audit Committee which meets four times a year or more frequently as required. The Finance and Audit committee shall elect a chair who shall not be the Chair of the board. The Finance and Audit Committee membership is required, as set out in the terms of reference, to be made up of a combination of the Board of Trustees, and members independent of management of the Trust and any subsidiaries. Trustee members, however, will always remain in the majority of this Committee.

BALTIC has a wholly owned trading subsidiary, independent of the Board of Trustees to oversee and scrutinize the management of commercial enterprises.

Relationships with related parties

The Trust has a wholly owned subsidiary company, Baltic Contemporary Visual Arts Trading Limited, the principal activity of which is the provision of catering, retail, corporate sponsorship and room hire services. The surplus generated by the company is gifted to the Trust (see note 25 to the financial statements).

Going Concern

The Chairty's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, considering reasonably possible changes in trading performance. This also considers the effectiveness of available measures to assist in mitigating the impact. The charity and its trading subsidiaries have strong positive cash balances and is forecasting for this to continue to be the case. The Trustees have stress tested their forecasts, considering various scenarios and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Auditors

In accordance with the Companies Act 2006 a resolution proposing the appointment of S&W Audit as auditor for the year ending 31 March 2026 will be put to the members.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 March 2025

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also Directors of Baltic Flour Mills Visual Arts Trust for the purpose of company law) are responsible for preparing the Trustees Report (including the Strategic 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 the financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and the incoming resources and application of resources, including the net income or expenditure, of the charity and the group for the year. 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 a going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

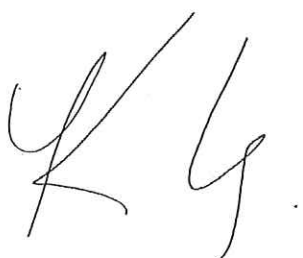
The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Trustees on26.11.25 and signed on their behalf by:

.....
K Lang
Chair and Trustee



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BALTIC FLOUR MILLS VISUAL ARTS TRUST
FOR THE YEAR ENDED 31 March 2025**

Opinion

We have audited the financial statements of Baltic Flour Mills Visual Arts Trust (the 'charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charitable Company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BALTIC FLOUR MILLS VISUAL ARTS TRUST
(Continued)
FOR THE YEAR ENDED 31 March 2025

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BALTIC FLOUR MILLS VISUAL ARTS TRUST
(Continued)
FOR THE YEAR ENDED 31 March 2025

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the companies Act 2006 and we report in accordance with this Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained a general understanding of the company's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the company's industry and regulation.

We understand that the company complies with the framework through:

- Engaging external legal professionals as required and making changes to internal procedures and controls as necessary.
- The directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.
- Monitoring of updates made by regulatory bodies.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the company's ability to conduct its business, and where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the company:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements.
- The Charities Act 2011 and the Charities: Statement of Recommended Practice in respect of the preparation and presentation of the financial statements.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Making enquires of trustees and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- Obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- Reviewing the minutes of meetings of those charged with governance;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BALTIC FLOUR MILLS VISUAL ARTS TRUST
(Continued)
FOR THE YEAR ENDED 31 March 2025

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements via and management overriding controls.
- The incorrect recognition of grants and donations resulting in the income being recognised in the incorrect accounting period.
- The incorrect recognition of trading income resulting in the income being recognised in the incorrect accounting period.

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Performed data analytics on the general ledger against client specific criteria
- Obtained third party evidence for a sample of donations and grants, to ensure that it was appropriate to recognise the income in the financial statements in accordance with the principles of the SORP.
- Selected a sample of sales transactions, agreeing the revenue to supporting documentation and through to the bank statements.

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

Use of our report

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



Craig Henderson (Senior Statutory Auditor)
for and on behalf of S&W Audit
Chartered Accountants and Statutory Auditor

4th December 2025
.....

17 Queens Lane
Newcastle upon Tyne
NE1 1RN

Baltic Flour Mills Visual Arts Trust
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including consolidated income and expenditure account)

FOR THE YEAR ENDED 31 March 2025

		Unrestricted funds	Designated funds	Restricted funds	Total 2025	Total 2024
	Notes	£	£	£	£	£
Income from:						
Donations and legacies	4	3,332,746	-	945,197	4,277,943	3,747,436
Charitable activities	5	28,427	-	-	28,427	63,649
Other trading activities	6	1,974,326	-	-	1,974,326	2,069,101
Other income	7	540,457	-	-	540,457	395,838
Total income		<u>5,875,956</u>	<u>-</u>	<u>945,197</u>	<u>6,821,153</u>	<u>6,276,024</u>
Expenditure on:						
Costs of raising funds		1,586,970	-	-	1,586,970	1,371,856
Charitable activities	9	4,453,859	-	259,410	4,713,269	4,780,289
Total expenditure		<u>6,040,829</u>	<u>-</u>	<u>259,410</u>	<u>6,300,239</u>	<u>6,152,145</u>
Net movement before transfers and other gains		<u>(164,873)</u>	<u>-</u>	<u>685,787</u>	<u>520,914</u>	<u>123,879</u>
Gain on settlement of defined benefit pension obligation	8/23	1,012,000	-	-	1,012,000	-
Transfers between funds	25	(915,312)	1,000,000	(84,688)	-	-
Other comprehensive expenditure						
Actuarial loss on defined benefit pension schemes		-	-	-	-	(53,000)
Net movement in funds		<u>(68,185)</u>	<u>1,000,000</u>	<u>601,099</u>	<u>1,532,914</u>	<u>70,879</u>
Reconciliation of funds						
Total funds brought forward		2,969,191	418,594	719,179	4,106,964	4,036,085
Total funds carried forward		<u>2,901,006</u>	<u>1,418,594</u>	<u>1,320,278</u>	<u>5,639,878</u>	<u>4,106,964</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

Baltic Flour Mills Visual Arts Trust
(A Company Limited by Guarantee)

CONSOLIDATED BALANCE SHEET
AS AT 31 March 2025

	Notes	£	2025 £	£	2024 £
Fixed assets					
Tangible assets	16		1,705,741		1,620,611
			<u>1,705,741</u>		<u>1,620,611</u>
Current assets					
Stock	18	86,102		107,718	
Debtors	19	1,147,200		751,385	
Cash at bank and in hand		3,434,799		2,477,681	
		<u>4,668,101</u>		<u>3,336,784</u>	
Creditors: amounts falling due within one year	20	(733,964)		(850,431)	
		<u></u>		<u></u>	
Net current assets			3,934,137		2,486,353
Pension scheme asset/(liability)	23		-		-
Net assets			<u>5,639,878</u>		<u>4,106,964</u>
Funds					
Unrestricted funds			2,901,006		2,969,191
Designated funds			1,418,594		418,594
Restricted funds			1,320,278		719,179
	25		<u>5,639,878</u>		<u>4,106,964</u>

The notes on pages 22 to 45 form part of these financial statements.

The financial statements were approved by the Trustees on 26.11.25 and signed on their behalf by:

.....
K Lang
Chair and Trustee

Company Number: 03589539



Baltic Flour Mills Visual Arts Trust
(A Company Limited by Guarantee)

CHARITABLE COMPANY BALANCE SHEET
AS AT 31 March 2025

	Notes	£	2025 £	£	2024 £
Fixed assets					
Tangible assets	16		1,316,042		1,193,668
Investments	17		2		2
			<u>1,316,044</u>		<u>1,193,670</u>
Current assets					
Debtors	19	1,074,096		1,638,907	
Cash at bank and in hand		2,802,593		1,306,568	
		<u>3,876,689</u>		<u>2,945,475</u>	
Creditors: amounts falling due within one year	20	(519,883)		(626,107)	
		<u></u>		<u></u>	
Net current assets			3,356,806		2,319,368
Net assets			<u>4,672,850</u>		<u>3,513,038</u>
Funds					
Unrestricted funds			1,933,978		2,375,265
Designated funds			1,418,594		418,594
Restricted funds	25		1,320,278		719,179
			<u>4,672,850</u>		<u>3,513,038</u>

The notes on pages 22 to 45 form part of these financial statements.

The financial statements were approved by the Trustees on 26.11.25 and signed on their behalf by:

.....
K Lang
Chair and Trustee

Company Number: 03589539



Baltic Flour Mills Visual Arts Trust
(A Company Limited by Guarantee)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 March 2025

	Note	2025 £	2024 £
Net cash provided by operating activities	29	1,189,240	24,910
Cash flows from investing activities			
Purchase of tangible assets		(232,122)	(463,579)
Net cash flow from investing activities		(232,122)	(463,579)
Net (decrease)/increase in cash and cash equivalents		957,118	(438,669)
Cash and cash equivalents at the beginning of the year		2,477,681	2,916,350
Cash and cash equivalents at the end of the year		3,434,799	2,477,681
Cash and cash equivalents consist of:			
Cash at bank and in hand		3,434,799	2,477,681

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2025

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

Baltic Flour Mills Visual Arts Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Basis of consolidation

The financial statements consolidate the results of Baltic Flour Mills Visual Arts Trust and its wholly owned subsidiaries Baltic Contemporary Visual Arts Trading Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because Baltic Flour Mills Visual Arts Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

1.3 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including operating performance of the group, the annual budget, rolling financial forecasts and future cash flows in making their assessment.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

1.4 Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of Baltic Flour Mills Visual Arts Trust and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

1.5 Income

All incoming resources are included in the Statement of Financial Activities when the Group has entitlement to the funds, any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations from individuals and charitable Trusts are recognised when notification of payment is received, unless there are specific conditions attached.

No amount is included within the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees Report.

Investment income is earned through holding assets for investment purposes such as cash held on deposit and property. It includes interest and rent. Interest income is recognised when receivable and rental income is recognised as TAP's right to receive payment is established.

1.6 Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes all costs incurred in the running of the trading subsidiary; and
- Expenditure on charitable activities includes all direct and support costs incurred in the management of the charity.

Irrecoverable VAT is charged as a cost against the expenditure when incurred.

1.7 Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

1.8 Tangible fixed assets

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

Fixtures, fittings and equipment	- over 5 to 10 years straight line
----------------------------------	------------------------------------

Individual fixed assets costing £5,000 or more are initially recorded at cost.

1.9 Investments

Investments in subsidiary undertakings are held at cost less impairment.

1.10 Stock

Stock is valued at the lower of cost and net realisable value.

1.11 Debtors

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

1.12 Cash at bank and in hand

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

1.13 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 recognised at their settlement after allowing for any trade discounts due.

1.14 Defined benefit pension plan

The company recognised a defined net benefit pension asset or liability in the statement of financial position as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled.

Changes in the net defined benefit asset or liability arising from employee service are recognised in income or expenditure as current service cost where it relates to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in income or expenditure in the period in which they occur.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*
FOR THE YEAR ENDED 31 March 2025

1.15 Pensions

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

1.16 Financial instruments

Baltic Flour Mills Visual Arts Trust 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.

1.17 Judgements and key sources of estimation uncertainty

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.

There are considered to be no significant judgements.

2. Legal status

Baltic Flour Mills Visual Arts Trust is a company limited by guarantee, registered in England and Wales, (number 03589539) and not having a share capital. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

3. Statement of financial activities from the prior year as restated

		Unrestricted funds	Designated funds	Restricted funds	Total 2024	As restated Total 2023
	Notes	£	£	£	£	£
Income from:						
Donations and legacies	4	3,438,947	-	308,489	3,747,436	4,487,630
Charitable activities	5	63,649	-	-	63,649	63,991
Other trading activities	6	2,069,101	-	-	2,069,101	1,333,079
Investment income		-	-	-	-	1,694
Other income	7	395,838	-	-	395,838	225,499
Total income		5,967,535	-	308,489	6,276,024	6,111,893
Expenditure on:						
Costs of raising funds		1,371,856	-	-	1,371,856	751,415
Charitable activities	9	4,208,640	48,500	523,149	4,780,289	4,709,379
Total expenditure		5,580,496	48,500	523,149	6,152,145	5,460,794
Net movement before transfers		387,039	(48,500)	(214,660)	123,879	651,099
Transfers between funds	25	317,719	(328,568)	10,849	-	-
Other comprehensive expenditure						
Actuarial loss on defined benefit pension schemes		(53,000)	-	-	(53,000)	(52,000)
Net movement in funds		651,758	(377,068)	(203,811)	70,879	599,099
Reconciliation of funds						
Total funds brought forward		2,317,433	795,662	922,990	4,036,085	3,436,986
Total funds carried forward		2,969,191	418,594	719,179	4,106,964	4,036,085

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

4. Income from donations

	2025	2024
	£	£
Donations	706,058	74,557
Grants	3,571,885	3,672,879
	<u>4,277,943</u>	<u>3,747,436</u>

5. Charitable activity income

	2025	2024
	£	£
Charitable activity income	28,427	63,649
	<u>28,427</u>	<u>63,649</u>

6. Income from other trading activities

	2025	2024
	£	£
Sales of goods and services	1,717,631	1,887,924
Sponsorship income	256,695	166,083
Other income	-	15,094
	<u>1,974,326</u>	<u>2,069,101</u>

7. Other income

	2025	2024
	£	£
MGETR tax relief	540,457	395,838
	<u>540,457</u>	<u>395,838</u>

8. Gain on settlement of defined benefit pension obligation

	2025	2024
	£	£
Gain on settlement of defined benefit pension obligation	1,012,000	-
	<u>1,012,000</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

9. Analysis of expenditure on charitable activities

	Activities undertaken directly	Support costs	Total 2025	Total 2024
	£	£	£	£
Arts Programme	1,003,334	1,621,817	2,625,151	2,662,709
Learning Programme	788,334	1,274,284	2,062,618	2,092,129
Governance	-	25,500	25,500	25,451
	<u>1,791,668</u>	<u>2,921,601</u>	<u>4,713,269</u>	<u>4,780,289</u>

10. Support costs

	Governance costs	Arts Programme	Learning Programme	Total 2025
	£	£	£	£
IT costs	-	65,618	51,557	117,175
Staff costs	-	574,924	451,726	1,026,650
Premises costs	-	615,546	483,644	1,099,190
Depreciation	-	82,316	64,676	146,992
Other support costs	-	283,413	222,681	506,094
Governance	25,500	-	-	25,500
	<u>25,500</u>	<u>1,621,817</u>	<u>1,274,284</u>	<u>2,921,601</u>

11. Governance costs

	2025	2024
	£	£
Audit fees	18,400	17,500
Other costs	8,000	7,951
	<u>25,500</u>	<u>25,451</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

12. Net income for the year

Net income is stated after charging;

	2025	2024
	£	£
Depreciation	146,992	147,180
Operating lease costs	5,370	5,370
Audit fees	18,400	17,500
	<u> </u>	<u> </u>

13. Auditors remuneration

The auditors remuneration amounts to an audit fee of £18,400 (2024 - £17,500) and non-audit fees of £15,000 (2024 - £16,450).

14. Financial performance of the charitable company

The Consolidated Statement of Financial Activities includes the results of the wholly owned subsidiaries.

The summary financial performance of the charity alone is;

	2025	2024
	£	£
Income	5,902,042	4,722,017
Expenditure	(4,742,230)	(4,732,503)
Other comprehensive income/(expenditure)	-	(53,000)
Net surplus/(deficit)	<u>1,159,812</u>	<u>(63,486)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

15. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

The total staff costs and employees benefits were as follows:

	2025	2024
	£	£
Wages and salaries	2,326,846	2,072,348
Social security costs	213,327	188,469
Other pension costs	133,506	108,014
	<u>2,673,679</u>	<u>2,368,831</u>

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

	2025	2024
Administrative staff	89	78
	<u>89</u>	<u>78</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	Number 2025	Number 2024
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	-	-
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	-	1
	<u>2</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

15. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel expenses (continued)

The Trustees were not paid or received any other benefits from employment in the year (2024 – £nil). No Trustee received payment for professional or other services supplied to the charity (2024 - £nil).

The key management personnel of the charity are identified in the Reference and Administrative details section of the Trustees Report. The total employee benefits of the key management personnel of the charity were £180,327 (2024 - £224,223).

16. Tangible fixed assets
Consolidated

	Fixtures, fittings and equipment £	Total £
Cost		
At 1 April 2024	2,209,948	2,209,948
Additions	232,122	232,122
Disposals	-	-
	<hr/>	<hr/>
At 31 March 2025	2,442,070	2,442,070
	<hr/>	<hr/>
Depreciation		
At 1 April 2024	589,337	589,337
Charge for the year	146,992	146,992
Elimination on disposal	-	-
	<hr/>	<hr/>
At 31 March 2025	736,329	736,329
	<hr/>	<hr/>
Net book value		
At 31 March 2025	1,705,741	1,705,741
	<hr/>	<hr/>
At 31 March 2024	1,620,611	1,620,611
	<hr/>	<hr/>

Baltic Flour Mills Visual Arts Trust
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

16. Tangible fixed assets (continued)
Charitable company

	Fixtures, fittings and equipment £	Total £
Cost		
At 1 April 2024	1,636,644	1,636,644
Additions	232,122	232,122
	<hr/>	<hr/>
At 31 March 2025	1,868,766	1,868,766
	<hr/>	<hr/>
Depreciation		
At 1 April 2024	442,976	442,976
Charge for the year	109,748	109,748
	<hr/>	<hr/>
At 31 March 2025	552,724	552,724
	<hr/>	<hr/>
Net book value		
At 31 March 2025	1,316,042	1,316,042
	<hr/>	<hr/>
At 31 March 2024	1,193,668	1,193,668
	<hr/>	<hr/>

Baltic Flour Mills Visual Arts Trust
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

17. Investments

Shares in Subsidiary Undertakings (Charitable Company)

	2025	2024
	£	£
Cost and Net Book Value		
At 1 April 2023	2	2
At 31 March 2025	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

Baltic Flour Mills Visual Arts Trust
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

17. Investments (Continued)

Company	Country	Percentage Shareholding	Description
Baltic Contemporary Visual Arts Trading Limited	England and Wales	100%	Ordinary

The provision of catering, retail, business sponsorship and room hire services. The results and summary of assets and liabilities of the company are as follows:

	2025 £	2024 £
Turnover	1,967,287	2,082,536
Cost of sales	(785,624)	(1,019,186)
Administrative expenses	(801,346)	(428,985)
Profit for the year	380,317	634,365
Distribution to Trust	7,215	500,000
	2025 £	2024 £
Total assets	1,187,544	1,732,968
Total liabilities	(220,514)	(1,139,040)
Shareholders' funds	967,030	593,928

18. Stock

	Group 2025 £	2024 £	Charitable 2025 £	Company 2024 £
Finished goods	86,102	107,718	-	-
	86,102	107,718	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

19. Debtors

	Group		Charitable	Company
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	119,586	56,731	45,124	39,869
Prepayments and accrued income	960,034	635,513	954,959	625,181
Recoverable VAT	67,580	59,141	67,580	59,141
Amounts due from group undertakings	-	-	6,433	914,716
	<u>1,147,200</u>	<u>751,385</u>	<u>1,074,096</u>	<u>1,638,907</u>

20. Creditors: amounts falling due within one year

	Group		Charitable	Company
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	448,801	549,884	334,271	446,431
Social Security and taxes	31,597	38,956	-	-
Accruals and deferred income	253,566	245,490	185,612	163,575
Other creditors	-	16,101	-	16,101
	<u>733,964</u>	<u>850,431</u>	<u>519,883</u>	<u>626,107</u>

21. Deferred income

Deferred income comprises fee income relating to future periods:

	£
Balance at 1 April 2023	109,349
Amounts released to income earned from charitable activities	(109,349)
Amounts deferred in the year	5,850
	<u>5,850</u>
Balance at 31 March 2025	

22. Operating leases

The future minimum lease payments under non-cancellable operating leases are as follows;

	2025	2024
	£	£
Not later than one year	7,898	7,898
Later than one and not later than five years	6,712	14,610
	<u>14,610</u>	<u>22,508</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

23. Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group for the scheme and amounted to £133,506 (2024 - £108,014).

Contributions totalling £nil (2024 - £17,468) were payable to the scheme at the end of the year and are included in creditors.

Defined benefit pension schemes

Tyne & Wear Pension Fund

During the year, the Charitable Company settled their defined benefit pension obligations, with a third party. Due to the position of the Scheme being in a net asset position, £1,012,000 of cash was received by the Charity in respect of this. As the carrying value of the pension scheme was nil, this full amount has been recognised as a gain in the Statement of Financial Activities.

The Tyne & Wear Pension Fund is a funded defined benefit scheme, with the assets held in separate Trustee-administered funds.

The charity is an approved employer of the Tyne & Wear Pension fund.

The total contributions made for the year ended 31 March 2025 was £nil (2024 - £14,000) of which employers contributions totalled £nil (2024 - £12,000) and employees' contributions totalled £nil (2024 - £2,000).

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2025	2024
	£	£
Fair value of scheme assets	-	2,625,000
Present value of defined benefit obligation	-	(1,457,000)
	<hr/>	<hr/>
	-	1,168,000
Pension asset value not recognised (as per FRS 102 para 28.22)	-	(1,168,000)
	<hr/>	<hr/>
Defined benefit pension scheme surplus	-	-
	<hr/>	<hr/>

In the year ended 31 March 2024 the actuarial valuation for FRS102 showed a surplus over liabilities at that date of £1,168,000. In accordance with FRS 102 paragraph 28.22, a pension scheme asset is recognised only to the extent that is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. This condition was not met at the balance sheet date and therefore the surplus was not recognised.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2025
	£
Present value at start of year	-
Current service cost	-
Interest cost	-
Actuarial gains and losses	-
Benefits paid	-
Contributions by scheme participants	-
	<hr/>
Present value at end of year	-
	<hr/>

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	2025
	£
Fair value at start of year	-
Interest income	-
Remeasurement on assets	-
Employer contributions	-
Benefits paid	-
	<hr/>
Present value at end of year	-
	<hr/>

Analysis of assets

The major categories of scheme assets are as follows:

	2025	2024
	£	£
Equities	-	1,328,000
Property	-	273,000
Government bonds	-	34,000
Corporate bonds	-	512,000
Multi-asset Credit	-	121,000
Cash	-	18,000
Other	-	339,000
	<hr/>	<hr/>
	-	2,625,000
	<hr/>	<hr/>

Return on scheme assets

2025	2024
£	£
-	41,000
<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2025	2024
	%	%
Discount rate	-	4.80
CPI inflation	-	2.60
Pension increases	-	2.60
Pension accounts revaluation rate	-	2.60
Salary increases	-	4.10
	<hr/>	<hr/>

Post retirement mortality assumptions

	2025	2024
	Years	Years
Current UK pensioners at retirement age - male	-	21.00
Current UK pensioners at retirement age - female	-	24.20
Future UK pensioners at retirement age - male	-	22.30
Future UK pensioners at retirement age - female	-	25.60
	<hr/>	<hr/>

These are assumptions used purely for the calculations of the pension deficit and do not reflect the actuality of historical pay rises. Contributions to the scheme are charges to the profit and loss account so as to spread the cost of the pension over employees' working lives with the company. A qualified actuary, on the basis of triennial valuations, using the projected unit method, determines the contributions.

In addition, as many unrelated employers participate in the Tyne and Wear Pension fund there is an orphan liability risk where employers leave the fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers. This liability no longer exists as the company has left the scheme.

All the risks above may also benefit the employer e.g. higher than expected investment returns or employers leaving the fund with excess assets which eventually get inherited by the remaining employers.

Baltic Flour Mills Visual Arts Trust
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

25. Fund reconciliation

Year ended 31 March 2025

	Balance at 1 April 2024	Income	Expenditure	Transfers	Gains/ (losses)	Balance at 31 March 2025
Unrestricted funds						
General fund	2,969,191	6,916,917	(6,069,790)	(915,312)	-	2,901,006
Designated funds						
Capital replacement & renewal	-	-	-	1,000,000	-	1,000,000
Novated funds – income Generation	418,594	-	-	-	-	418,594
Total restricted funds	3,387,785	6,916,917	(6,069,790)	84,688	-	4,319,600
Restricted funds						
The Baltic Endowment for Creative Futures	-	625,000	-	-	-	625,000
ACE Capital Expenditure	15,048	-	-	(15,048)	-	-
The Virgin Money Foundation						
Big Lottery Fund #iwill fund	836	-	(836)	-	-	-
B.Local Birtley	650	-	(650)	-	-	-
20 Babies	1,371	-	(1,371)	-	-	-
Inspired by	147	-	(147)	-	-	-
ICP	6,167	6,053	(11,132)	(1,088)	-	-
National Lottery Fund	47,009	195,604	(173,177)	-	-	69,436
National Art Collection CVAN	44,714	-	(2,968)	-	-	41,746
CVAN	(1,438)	-	-	1,438	-	-
North East Artist Fund	-	16,000	(698)	-	-	15,302
Saelia Aparicio	-	8,000	-	-	-	8,000
Paul Mellon	-	7,000	(7,000)	-	-	-
The Art Fund	-	5,000	(5,000)	-	-	-
Estonian AA Development Centre	-	3,000	(3,000)	-	-	-
The Headley Trust	-	31,500	(14,559)	-	-	16,941
Warm Spaces	-	1,640	(1,640)	-	-	-
Laidlaw Trust	-	6,400	(6,400)	-	-	-
IWM	-	40,000	(30,832)	-	-	9,168
Capital repair reserves account	604,675	-	-	(69,990)	-	534,685
Total restricted funds	719,179	945,197	(259,410)	(84,688)	-	1,320,278
Total funds	4,106,964	7,862,114	(6,329,200)	-	-	5,639,878

Baltic Flour Mills Visual Arts Trust
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

25. Fund reconciliation (Continued)

Year ended 31 March 2024

	Balance at 1 April 2023	Income	Expenditure	Transfers	Gains/ (losses)	Balance at 31 March 2024
Unrestricted funds						
General fund	2,317,433	5,996,064	(5,609,025)	317,719	(53,000)	2,969,191
Designated funds						
Capital replacement & renewal	173,256	-	(48,500)	(124,756)	-	-
Novated funds – income Generation	622,406	-	-	(203,812)	-	418,594
Total restricted funds	3,113,095	5,996,064	(5,657,525)	(10,849)	(53,000)	3,387,785
Restricted funds						
ACE Capital Expenditure	16,129	-	(1,081)	-	-	15,048
The Virgin Money Foundation						
Big Lottery Fund #iwill fund	-	7,267	(6,431)	-	-	836
B.Local Birtley	650	-	-	-	-	650
Neighbourly Project:						
Anonymous Trust	20	8,751	(8,771)	-	-	-
20 Babies	-	7,955	(6,584)	-	-	1,371
Inspired by	147	-	-	-	-	147
ICP	-	25,020	(18,853)	-	-	6,167
IWM Commission	92,240	46,203	(208,119)	69,676	-	-
Bloomberg	111,186	25,000	(137,370)	1,184	-	-
National Lottery Fund	-	82,470	(35,461)	-	-	47,009
National Art Collection CVAN	-	45,000	(286)	-	-	44,714
CVAN	-	23,755	(100,193)	75,000	-	(1,438)
Capital repair reserves account	702,618	37,068	-	(135,011)	-	604,675
Total restricted funds	922,990	308,489	(523,149)	10,849	-	719,179
Total funds	4,036,085	6,304,553	(6,180,674)	-	(53,000)	4,106,964

The transfer from restricted funds relates to capital assets purchased. The restriction lifts when the purchases are made.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

25. Fund reconciliation (Continued)

Capital replacement and renewal

For the purpose of maintaining the fabric of the BALTIC building.

Capital expenditure

This fund represents the element of funding received from the Arts Council that is restricted for the capital expenditure.

The Virgin Money Foundation #iwill Take Action Fund

is a joint investment from the Big Lottery Fund and the Virgin Money Foundation. The #iwill Take Action Fund supported a 3-year programme at Baltic called Creating Change. Creating Change ran from 2017-2020 and aimed to embed social action in three Gateshead secondary schools; Cardinal Hume, Heworth Grange and Grace College (Formerly Joseph Swan). The grant was predominantly used to pay for a freelance producer to co-ordinate the project, the delivery of artist workshops, materials, trips, events and public art commissions

B Local Birtley

relates to the funding received for the Art Lab programme which launched in May 2019 which is an ongoing holiday programme offering artist led activities, trips and lunches for families. The offer is developed with and for families living in Birtley and particularly families who usually access free school meals during term time. Following the success of Art Lab August 2020 took a blended approach to offer activities and meals for three weeks of the school summer holidays. This approach was developed after listening to local families, our partners at the Birtley Hub Resource Centre, and other service providers and finding there was an appetite for in person activities, Birtley families were offered COVID-19 safe artist led workshops in person, take away activities and lunches as well as delivered creativity packs for those unable to attend in person.

Neighbourly Project:

Anonymous trust supports the communal faith, language and vocational lives of newly arrived communities across the borough. It engages refugees and people seeking asylum, taking steps to understand people's, address their concerns and support their ideas through a series of onsite and offsite programmes, collaborations and events. Programming includes hosting an annual open Iftar, ESOL at BALTIC, digital conservation sessions, a monthly language café, international Art Clubs in two local schools and skills matched volunteer and employment opportunities. The structure, aims and values of Neighbourly have been developed to explore the ways in which BALTIC can create long term and sustainable relationships with refugee and asylum-seeking communities, ensuring they have equitable access to BALTIC's resources. A guiding question for Neighbourly is how can BALTIC be a 'good neighbour' and how can we best support people to feel happy, settled and at home in the North East? Partners include Gateshead Council Resettlement Team, Best of Bensham, WERS, JET, the Angelou Centre, Comfrey Project and Ramadan Tent Project.

Language Café relates to funding received for the Language Café which at BALTIC happens the first Saturday of each month in BALTIC Front Room. This is a free, fun, friendly and informal opportunity to meet new people and practice English speaking and listening. Drop-in from 2:30pm until 5pm. Free tea and coffee, soft drinks and snacks will be provided. Sessions are family friendly and include artist-led creative sessions for adults and children to keep us busy while we chat. We will also have special guests to meet and chat with to cover topics like community resources that might be useful, skills, opportunities and employability. We welcome and encourage participation from people with refugee and asylum seeking backgrounds as well as confident and native English Speakers.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

20 Babies relates to funding received for the '20 Babies' project. As a response to lockdown experiences triggered by the COVID-19 pandemic, the '20 babies' project was formed. 20 babies has been designed and facilitated by BALTIC centre for contemporary Art and funded by Mayborn Group with research undertaken by Newcastle University. Starting in September 2021, the project worked with 20 families from Newcastle and Gateshead who had a baby during the first Covid-19 lockdown in 2020 (March-July 2020). The families attended weekly creative workshops that gave the caregivers a chance to explore their experience of the pandemic.

Inspired by Relates to funding received for the Inspired project. The Inspired by project is led by BALTIC and a Freelance Artist. We applied to work with Hawthorn Primary on a project that would develop staff CPD in sculpture and inspire the pupils to get involved with creating a permanent sculpture in their grounds. The Artist has led 5 sessions with the school's art ambassadors: a mixed group of pupils from Reception to Year 6. In these sessions, they explored different types of sculpture, developed their vocabulary around it and tested some different ways of making. The AA's designed two ideas for final piece and the school voted on what they would like to see in place. The final piece will see the entrance to the school come to life with an installation of rainbows, butterflies and mirrored stars suspended from the trees and stretching across to the school building as a way of welcoming visitors to school and sharing the school core values. The piece will be installed in August for a return to school unveiling in early September. On the 15th July the Freelance Artists(s) will lead a whole school sculpture day for pupils and their parents' which will see them creating elements of the final installation and experience making sculptures together.

CAVN relates to funding received from the Arts Council England and the Art Fund, for a national art programme titled Fair and Equitable, led by CVAN Contemporary visual Arts Network, to bring colleagues together across the country to develop a dynamic network and invest in organisational development. CVAN is part of Baltic and is national network for contemporary art that supports and advocates for the sector.

Capital Repair Reserves Account relates to funding agreed from Gateshead Council in respect of capital expenditure. These monies are represented by monies which are included in the charity's bank balance and shown on the balance sheet but are held by Gateshead Council on behalf of the charity.

Novated Funds – Income generation

The motivated funds were transferred from Gateshead Council are the remaining sum of the original Arts Council of England funding awarded to BALTIC which was agreed to be an endowment held in Gateshead Council's accounts. These funds were novated from Gateshead Council to BALTIC to support an agreement income generation plan to support the recovery and future resilience of BALTIC in the post COVID-19 recovery. Agreed investments include feasibility studies, new areas of trading and capital investment in spaces, which are income generating (for hospitality) or cost savings. This is an ongoing programme of investments which will be made between 2022 and 2025.

Bloomberg

Baltic successfully received funds of £150,000 from Bloomberg Philanthropies – as Bloomberg Tech Fellow for the next year to 18 months. The project commencing January 2023 includes a newly developed single sign-on for ww.baltic.at, development of CRM (salesforce) system and usage across the organisation, a re-development of the inline archive Baltic+ and establishing a new nature/wellbeing user generate platform site to encourage creativity entitled Nature & Nurture. The strategic objectives of this suite of projects include

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

assisting in the sustainability of the organisation by increasing self-generated income and becoming more efficient, to invest in infrastructure and training to optimize insights, and to extend reach and relevance to regional, national and international audiences through building communities of knowledge and engagement. It is anticipated the projects come to conclusion and fruition by November/December 2023.

IWM

The IWM 14-18 NOW Legacy Fund is a national partnership programme of over 20 artist commissions inspired by the heritage of conflict. Led by Imperial War Museums, the IWM 14-18 NOW Legacy Fund was created following the success of 14-18 NOW, the official UK arts programme for the First World War centenary. The £2.5 million commissioning programme has been made possible thanks to the success of Peter Jackson's critically acclaimed film *They Shall Not Grow Old*, co-commissioned by IWM and 14-18 NOW

ICP

The R&D project titled *Cosmovisions on Land and Entangled Futures* proposed to create space and time to build collaboration and in-depth co-creation of ideas relating to the interdependence and de-hierarchisation between human and nature. It offered a platform to connect local, territorial and social struggles with pressing global concerns to imagine other possible realities that respond to more sustainable futures. The project included an artist residency at La Escocesa, Barcelona; a research grant; two artists' commissions; a two-day event in Pivo and Sao Paulo; and four Research Labs to be developed by the partner organisations. *Cosmovisions on Land and Entangled Futures* was a partnership between Baltic Centre for Contemporary Art (UK), Capc Bordeaux (FR), La Escocesa ES), Mas Arte Mas Accion (COL) and Pivo (BR). It was funded by British Council's International Collaboration Grants, which are designed to support UK and overseas organisations to collaborate on international projects.

North East Artist Fund

The North East Artists' Fund is an Art Network North East initiative which brings together visual arts organisations and local authorities to support visual arts practitioners with micro-bursaries of up to £500. The bursaries are designed to enable artists to address what otherwise might be barriers to their practice, from travel and research costs to those of materials, studio equipment or framing costs, for instance. The strategic aims are, firstly, to increase retention of artists in the North East; secondly, to demonstrate publicly that the region supports its own creative communities; and lastly, to further local authorities' understanding of the challenges that visual arts practitioners face. The bursaries are simple to apply for and are based around outcomes, not outputs. Applicants tell us that they value the relatively lightweight application process, the ability to make small capital purchases in particular, and the trust that is placed in them to best know their needs.

Paul Mellon

This grant was to support the first substantial monograph on the work of Jewish feminist, activist, social documentary photographer Franki Raffles (1955– 1994), comprising an expanded introduction by Sarah Munro and scholarly texts by Alistair Scott and Catherine Spence, all authorities on Raffles' work. The publication accompanied Raffles' first major retrospective exhibition organised by Baltic, which will be presented in Gateshead in May 2024. The monograph itself explored Raffles' relationship to the societal issues of the 1980s/90s particularly in relation to conversations around class, gendered labour, domestic violence, community organising and women's liberation.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

The Art Fund

Reimagine Grants Programme is designed to inspire creativity and increase stability for museums and galleries, supporting organisations to develop or refresh their work in response to their current situation. Funding from the Reimagine Grants Programme enabled Baltic to establish a year-long Creative Pathway programme with three distinct strands, serving as clear stepping stones for lifelong engagement with our communities. Baltic's Programme and Learning teams reimaged engagement with young people, emerging artists and mid-career practitioners in the North East. The Gateway strand of this programme aimed to help young people understand the creative and cultural possibilities open to them, enhance confidence, skills, and wellbeing, and encourage first tentative steps into the creative industries. The Platform strand focused on giving diverse young people their first taste of working and commissioning in the creative sector in a professional context. Finally, the Launch Pad strand endeavoured to support artists in maintaining sustainable practices in the North East.

Estonian AA Development Centre

Is a funder of the The Baltic|States Residency Exchange Programme which enables artists and curators research and professional development through a series of supported residencies, studio visits, curator study visits and commissions at Baltic, Gateshead and partner venues in the Baltic region. The programme builds relationships through cross-cultural exchange connecting artists, arts professionals and institutions. Baltic Centre for Contemporary Art, named after the Baltic Sea, was a former flour mill housing grain from the Baltic region, and the North East has long established trading routes with Baltic countries. Participants are invited to respond to the current shifting geopolitical landscape in Europe and develop work that explores borders, identity, citizenship, and sustainable futures. They are also encouraged to find points of connection between the Baltic region and the North East of England, building networks with the artistic communities and creating dialogue that transcends borders and geographies at a time of rapid social and political change.

The Headley Trust

Funds a wide range of projects, due to the differing expertise and interests of their Trustees. In relation to Arts and Heritage, the Trust prioritises regional museums and galleries, funding curators; acquisitions; display, study, acquisition of British ceramics; industrial, maritime, built heritage conservation; archaeology; arts education digitisation and outreach. The Headley Trust awarded Baltic a grant towards the salary of an Assistant Curator over three years, from 2024 – 2027. The funding has enabled Baltic to structurally embed an entry-level curatorial opportunity and address the well-reported lack of diversity in creative industries.

Warm Spaces

Small Grants programme is delivered by Gateshead Council. Warm Spaces began as a crisis response to keep people warm through the winter but has blossomed into a movement to reconnect individuals and communities across the country all year round. This funding has supported Baltic's own Warm Space, Front Room. In particular, the grant programme enabled Front Room to develop relationships within the Warm Space network, continue the provision of mental health drop-in sessions and host visits from partner organisations to increase the wellbeing of users.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

26. Analysis of net assets between funds

Year ended 31 March 2025

	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2024
	£	£	£	£
Tangible assets	1,705,741	-	-	1,705,741
Net current assets/(liabilities)	1,195,265	1,418,594	1,320,278	3,934,137
Total net assets	2,901,006	1,418,594	1,320,278	5,639,878

Year ended 31 March 2024

	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2024
	£	£	£	£
Tangible assets	1,620,611	-	-	1,620,611
Net current assets/(liabilities)	1,348,580	418,594	719,179	2,486,353
Total net assets	2,969,191	418,594	719,179	4,106,964

27. Related Party Transactions

Group:

During the year the group made the following related party transactions:

Baltic Contemporary Visual Arts Trading Limited

During the year, the charity made sales relating to management fees of £28,961 (2024 - £28,529) and received a gift aid distribution of £507,215 (2023 - £481,838). At the balance sheet date the amount due from Baltic Contemporary Visual Arts Trading Limited was £6,433 (2024 - £914,716).

Baltic Flour Mills Visual Arts Trust
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 March 2025

28. Reconciliation of net income to net cash flow from operating activities

	2025	2024
	£	£
Net surplus/(deficit) for the year	1,532,914	70,879
Depreciation on tangible assets	146,992	147,180
(Increase)/decrease in debtors H	(395,815)	163,559
Decrease in creditors	(116,467)	(351,023)
Decrease/(Increase) in stock	21,616	(5,685)
Net cash flow from operating activities	<u>1,189,240</u>	<u>24,910</u>

