

**Rural Arts North Yorkshire**  
**(A company limited by guarantee)**

**Trustees' report and financial statements**

**for the year ended 31 March 2022**

**Charity number: 1081007**

**Company number: 3949494 (England & Wales)**

**Rural Arts North Yorkshire**  
**(A company limited by guarantee)**

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**Rural Arts North Yorkshire**  
**(A company limited by guarantee)**

**Legal and administrative information**

|                                    |   |
|------------------------------------|---|
| <b>Charity number</b>              | 1081007   |
| <b>Company registration number</b> | 3949494 (England & Wales)   |
| <b>Business address</b>            | The Old Courthouse<br>4 Westgate<br>Thirsk<br>North Yorkshire<br>YO7 1QS  |
| <b>Registered office</b>           | The Old Courthouse<br>4 Westgate<br>Thirsk<br>North Yorkshire<br>YO7 1QS  |
| <b>Trustees</b>                    | G Baragwanath (Retired 27 October 2021)<br>D Lloyd Williams (Retired 27 October 2021)<br>S Corden Lloyd<br>G Kirby<br>L Turner<br>A Kelner (Appointed 29 April 2021)<br>S Dennison (Appointed 29 April 2021)<br>O O'Shea (Appointed 29 July 2021)<br>R Middleton (Appointed 29 July 2021) |
| <b>Secretary</b>                   | A Holt  |
| <b>Chief Executive</b>             | M May   |
| <b>Independent examiner</b>        | W G Pearson FCA FCCA<br>The Barker Partnership<br>Chartered Accountants & Statutory Auditors<br>17 Central Buildings<br>Market Place<br>Thirsk<br>North Yorkshire<br>YO7 1HD  |

**Rural Arts North Yorkshire**  
**(A company limited by guarantee)**

**Legal and administrative information**

**Bankers**

Lloyds, Thirsk Branch  
Market Place  
Thirsk  
North Yorkshire  
YO7 1HB

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

**Solicitors**

Jacksons  
Innovation House  
Yarm Road  
Stockton on Tees  
TS18 3TN

**Rural Arts North Yorkshire**  
**(A company limited by guarantee)**

**Report of the trustees (incorporating the directors' report)**  
**for the year ended 31 March 2022**

The trustees present their report and the financial statements for the year ended 31 March 2022. The trustees, who are also directors of Rural Arts North Yorkshire for the purposes of company law and who served during the year and up to the date of this report, are set out on page 1 - 2.

**Structure, governance and management**

*Governing document*

Rural Arts was established under a Memorandum and Articles of Association on 10 March 1993 (Charity number: 1018523). A new set of Articles were adopted on the 16 March 2000, resulting in the creation of a new organisation (Charity number 1081007) on 2 June 2000. The assets of the former charity were transferred to the current charity on 25 October 2000. On 10 December 2003 a Special Resolution was passed to change the objects to extend the areas on which Rural Arts can operate from 'North Yorkshire' to 'the United Kingdom and primarily North Yorkshire'.

*Appointment of trustees*

The directors of the charitable company ('the charity') are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The articles of association provide that trustees may be appointed by ordinary resolution in general meeting.

As set out in the Articles, the Chair and new Trustees are nominated and elected by members of the Charity. The Chair must stand down for re-election after every three-year term and, set on rotation according to election dates, a third of Trustees must stand down for re-election each year. New Trustees meet with the Chair of the Board and receive an induction pack that outlines their legal obligations under charity law. They are also updated on the current situation of the Charity's finances and activities. They are invited to observe at least one meeting before formal election.

Since 31 March 2021, a special resolution has been passed by the Trustees (29 July 2021) that introduces a length of service limitation for members of the board. After a maximum of two 3 year terms, members must undertake a compulsory 1 year break before re-election can be sought, if desired.

During the year, G Baragwanath and D Lloyd-Williams resigned from the Board, and A Kelner, S Dennison, O O'Shea and R Middleton joined the Board. A Director and CEO is appointed by the Trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the director has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and artistic programme related activity.

David Lloyd Williams joins Brenda Thiede as Patron in reflection of their longstanding contribution to the organisation.

*Risk Management*

The Council of Management conducts an annual review of the major risks to which the Charity is exposed, and update this at quarterly meetings. Internal risks are minimised by the close involvement of the Council of Management. Undertaking of quality standards ensure best practices are used to help the efficient running of the organisation. The Trustees have recognised the need to increase free reserves to ensure the long-term resilience of the organisation.

**Objectives and activities**

Rural Arts charitable objective is as follows:

- (a) The promotion of rural arts in all their forms in the United Kingdom and primarily in the area of North Yorkshire.

**Rural Arts North Yorkshire**  
**(A company limited by guarantee)**

**Report of the trustees (incorporating the directors' report)**  
**for the year ended 31 March 2022**

***Public Benefit***

In setting objectives and planning for activities, the Trustees have given careful consideration to the general guidance published by the Charity Commission relating to public benefit.

Currently, Rural Arts is pursuing seven strategic aims:

1. Programme a vibrant and diverse range of high-quality performance in non-professional venues across North Yorkshire and the Tees Valley
2. Improve the lives of vulnerable and rurally isolated people through creativity
3. Establish The Courthouse as North Yorkshire's premier arts centre
4. Train and retain talent within North Yorkshire's creative industries
5. Develop the organisation's long-term sustainability
6. Ensure the best service possible to customers, participants and funders via robust monitoring and evaluation
7. Champion diversity in all its forms (Single Equality Action Plan)

At The Courthouse - Rural Arts' HQ and North Yorkshire's only professionally-run, cross-discipline arts centre - we provide over 400 events and activities each year for local residents and visitors alike. Alongside a public programme of exhibitions, performances, screenings and workshops, we offer a range of participatory programmes and balance our financial sustainability with a café, gallery shop and venue hire (operated by trading subsidiary, Rural Arts Trading Ltd.)

Through ON Tour - our rural touring scheme, servicing North Yorkshire and the Tees Valley - we programme 70 professional performances per year in rural venues. We work with dedicated volunteers in local communities across the county to ensure that living rurally does not isolate communities from culture and creativity, be that music, dance, theatre or family shows.

With our participatory programmes - which also stretch across all of North Yorkshire - we reach some of the most rurally isolated and vulnerable people within the region. Our work has a strong focus on arts as a conduit for improving health and wellbeing, reducing loneliness and developing life and employability skills. By working closely with partners across the third and public sector, as well as statutory and Trust and Foundation funders, we enrich individual's lives and build community cohesion across North Yorkshire.

Rural Arts was constituted as a charity in 1993 and is an Arts Council England National Portfolio Organisation.

**Rural Arts North Yorkshire**  
**(A company limited by guarantee)**

**Report of the trustees (incorporating the directors' report)**  
**for the year ended 31 March 2022**

**Achievements and performance**

Despite - and in some senses, because of - the impact of Coronavirus across 2021/22, Rural Arts has continued to achieve brilliant things across North Yorkshire and beyond, adapting, (re)inventing and growing our resilience. We continue to deliver significantly greater levels of activity than pre-pandemic: this year we delivered 1,020 activities - including performances, screenings, workshops, exhibitions, events and more - and reached over 30,000 people while doing so!

**Outreach**

Across the year we delivered a number of outreach programmes to support the mental health and wellbeing, and develop the skills and resilience, of some of our county's most vulnerable and rurally-isolated people. Particular successes and highlights follow.

We delivered 24 Heart & Craft workshops, reaching 279 older people and providing paid employment to 8 artists. 94% of participants felt that Heart & Craft has been important in and for their local community, 93% made new friendships through the programme (with only 42% feeling they often had companionship before attending), and 87% feel more confident having taken part.

Our programmes for people not in education, employment or training, Monday Makers and Action Towards Inclusion, received 161 engagements across 57 sessions. We established a new programme, MakerChange, for those on the cusp of creative business success, to provide coaching, peer learning, creative skills development and marketing/business support. The model was a huge success, and we hope to secure further funding to replicate and develop it in future.

The year also saw the fruition of Keepsake, which provided treasurable cultural experiences for housebound and isolated people, through 11 artistic commissions. The diverse range of experiences - from VR dance performances to make-your-own terrazzo coasters - reached reaching over 1300 people. We also ran a range of smaller projects - including Craft Connect (craft packs for those continuing to isolate) and Flourish (artist development programme for performing artists) - which reached 1240 people through 102 activities.

Our partnership North Yorkshire Together - in conjunction with North Yorkshire Sport and North Yorkshire Youth - continued to thrive. Together, we delivered FEAST, the Holiday Activities and Food Programme for North Yorkshire, through which over 7,000 children and young people took part in free activities and received free meals at over 500 workshops. We also worked together to deliver creative and physical activity sessions for young refugees in Scarborough and Selby district. The partnership continues to strengthen, and is an important strategic focus within our continuing work.

**ON Tour**

ON Tour - professional performances organised in community venues by a team of volunteers - has been our strand of work most affected by the pandemic. Our community venues and volunteers suddenly were required for social action, many of our volunteers have caring commitments or were vulnerable themselves. Further, as volunteers, many were uncertain about taking on the additional responsibilities surrounding organising performances during this time.

However, we successfully relaunched our touring programme from September 2021, with 35 performances reaching just over 1500 people. 43 volunteers supported productions featuring 21 artists, including the return of our much-loved touring pantomime. Since the closure of the year, our volunteers have continued to grow in confidence, and we have a full slate of over 70 performances booked for the period September 2022 - May 2023.

**Rural Arts North Yorkshire**  
**(A company limited by guarantee)**

**Report of the trustees (incorporating the directors' report)**  
**for the year ended 31 March 2022**

The Courthouse

Once reopened in May 2021, 21/22 was an incredibly successful year for The Courthouse, with no government mandated closures and with a greater attendance at events than we had anticipated.

Over the year, 230 workshops reached over 1100 participants. Of particular success was our introduction of more multi-week courses and low-cost, peer-led sessions. We also hosted 25 live performances, screenings and other events, reaching 963 people. Our five programmed exhibitions in The Courthouse were supplemented by our new Artist of the Month programme in our café, which displayed work from local artists and our community projects. Over the year, we engaged 137 artists and had almost 15,000 visitors to The Courthouse to use our café, shop and room hire functions.

**Organisational Development**

The Coronavirus pandemic ushered in a significant amount of organisational development at Rural Arts, which in 2021/22 included the adoption of a new logo and branding, and the development of a new website. As we continue to grow, we were grateful of a grant from North Yorkshire County Council to explore potential future organisational structures to ensure we remain resilient and well-skilled. The outcomes of this review included the creation of pay-bands and the improvement of salaries across the organisation, implemented from April 22 onwards.

**Financial review**

Income for the year was £526,368 (2020/21: £627,530) and expenditure for the year was £394,054 (2020/21: £390,845), resulting in a surplus/deficit for the year of £132,314 (2020/21: £236,685). Expenditure of £2,857 (2020/21: £111,447) was spent on Tangible Fixed Assets in the year.

Net assets at the year end were £800,604 (2020/21: £668,290) of which £750,669 (2020/21: £591,719) were unrestricted funds and £49,935 (2020/21: £76,571) were restricted funds.

Rural Arts has a strict system of financial controls in place, which includes two-person authorisation of all payments, monthly meetings with the Finance Committee and monthly management accounts. We have a policy to increase our reserves until we realise our reserves target (see note on reserves).

**Going Concern**

The Trustees have prepared these financial statements on the basis that the organisation is a going concern.

**Reserves policy**

The Trustees have established the policy whereby unrestricted funds which have not been designated for a specific use should be maintained at a value of three to six months expenditure. This level of general reserves would finance operations in the event of short term funding gaps and finance immediate obligations should Rural Arts lose its funding, or alternatively in the event that the organisation should need to close.

At 31 March 2022, general free reserves stand at £169,316. Despite the challenges of the pandemic, it is the Trustees' aims to build on general reserves in future years by further developing income generating activities and the trading subsidiary company Rural Arts Trading Limited.



**Rural Arts North Yorkshire**  
**(A company limited by guarantee)**

**Report of the trustees (incorporating the directors' report)**  
**for the year ended 31 March 2022**

**Statement of trustees' responsibilities**

The trustees (who are also directors of Rural Arts North Yorkshire for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

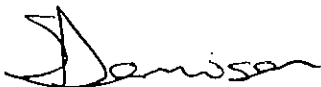
**Small company provisions**

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

On behalf of the board

S Dennison  
**Trustee**

27 October 2022



G Kirby  
**Trustee**

27 October 2022



**Rural Arts North Yorkshire**  
**(A company limited by guarantee)**

**Independent examiner's report to the trustees on the unaudited financial statements of Rural Arts North Yorkshire.**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2022 which are set out on pages 9 to 24.

**Responsibilities and basis of report**

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

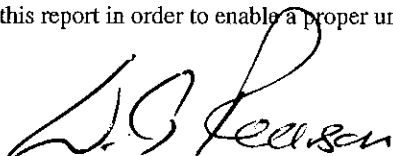
Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act').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

**Independent examiner's report**

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

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

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



**W G Pearson FCA FCCA**  
The Barker Partnership  
Chartered Accountants & Statutory Auditors  
17 Central Buildings  
Market Place  
Thirsk  
North Yorkshire  
YO7 1HD

27 October 2022

**Rural Arts North Yorkshire**  
(A company limited by guarantee)

**Statement of financial activities (incorporating the income and expenditure account)**

**For the year ended 31 March 2022**

|                                    | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2022<br>Total<br>£ | 2021<br>Total<br>£ |
|------------------------------------|-------|----------------------------|--------------------------|--------------------|--------------------|
| <b>Income and endowments from</b>  |       |                            |                          |                    |                    |
| Donations and legacies             | 2     | 23,785                     | -                        | 23,785             | 10,838             |
| Charitable activities              | 3     | 202,527                    | 141,199                  | 343,726            | 539,150            |
| Other trading activities           | 4     | 85,184                     | -                        | 85,184             | 19,490             |
| Other incoming resources           | 5     | 73,673                     | -                        | 73,673             | 58,052             |
| <b>Total income</b>                |       | <u>385,169</u>             | <u>141,199</u>           | <u>526,368</u>     | <u>627,530</u>     |
| <b>Expenditure on</b>              |       |                            |                          |                    |                    |
| Raising funds                      | 6     | 11,858                     | -                        | 11,858             | 11,908             |
| Charitable activities              | 7     | 240,437                    | 141,759                  | 382,196            | 378,938            |
| <b>Total expenditure</b>           |       | <u>252,295</u>             | <u>141,759</u>           | <u>394,054</u>     | <u>390,846</u>     |
| <b>Net income/expenditure</b>      |       | 132,874                    | (560)                    | 132,314            | 236,684            |
| Transfer between funds             |       | 26,076                     | (26,076)                 | -                  | -                  |
| <b>Net movement in funds</b>       |       | 158,950                    | (26,636)                 | 132,314            | 236,684            |
| Total funds brought forward        |       | <u>591,719</u>             | <u>76,571</u>            | <u>668,290</u>     | <u>431,605</u>     |
| <b>Total funds carried forward</b> |       | <u>750,669</u>             | <u>49,935</u>            | <u>800,604</u>     | <u>668,289</u>     |

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 12 to 24 form an integral part of these financial statements.

**Rural Arts North Yorkshire**  
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**Balance sheet**  
**as at 31 March 2022**

|  | Notes | £              | 2022<br>£      | £              | 2021<br>£      |
|--|-------|----------------|----------------|----------------|----------------|
| <b>Fixed assets</b>  |       |                |                |                |                |
| Tangible assets  | 16    |                | 581,343        |                | 599,106        |
| Investments  | 17    |                | 10             |                | 10             |
|  |       |                | <u>581,353</u> |                | <u>599,116</u> |
| <b>Current assets</b>  |       |                |                |                |                |
| Debtors  | 18    | 62,205         |                | 99,571         |                |
| Cash at bank and in hand                                       |       | 379,708        |                | 195,142        |                |
|  |       | <u>441,913</u> |                | <u>294,713</u> |                |
| <b>Creditors: amounts falling due within one year</b>          | 19    | (42,433)       |                | (37,286)       |                |
| <b>Net current assets</b>                                      |       |                | <u>399,480</u> |                | <u>257,427</u> |
| <b>Total assets less current liabilities</b>                   |       |                | 980,833        |                | 856,543        |
| <b>Creditors: amounts falling due after more than one year</b> | 20    |                | (180,229)      |                | (188,253)      |
| <b>Net assets</b>  |       |                | <u>800,604</u> |                | <u>668,290</u> |
| <b>Funds</b>   | 21    |                |                |                |                |
| Restricted income funds  |       |                | 49,935         |                | 76,571         |
| Unrestricted income funds                                      |       |                | <u>750,669</u> |                | <u>591,719</u> |
| <b>Total funds</b>   |       |                | <u>800,604</u> |                | <u>668,290</u> |

The Balance Sheet continues on the following page.

The notes on pages 12 to 24 form an integral part of these financial statements.

**Rural Arts North Yorkshire**  
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**Balance sheet (continued)**

**Trustees statements required by the Companies Act 2006**  
**for the year ended 31 March 2022**

For the year ended 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities:**

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The financial statements were approved by the board on 27 October 2022 and signed on its behalf by

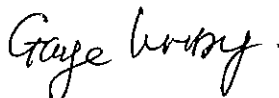
S Dennison  
Trustee

27 October 2022



G Kirby  
Trustee

27 October 2022



The notes on pages 12 to 24 form an integral part of these financial statements.

**Rural Arts North Yorkshire**  
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**Notes to financial statements**  
**for the year ended 31 March 2022**

**1. Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

**1.1. Basis of accounting**

The financial statements are prepared on a going concern basis under the historical cost convention, except for the revaluation of certain fixed assets, and 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) (effective 1 January 2019) and the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**1.2. Cashflow**

The charity has taken advantage of the exemption in FRS102 for the requirement to produce a cashflow statement because it is a small charity.

**1.3. Fund accounting**

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs 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.

**1.4. Income recognition**

All incoming resources are included in the statement of financial activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

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

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Other income includes income such as gains on disposals of tangible fixed assets.

**Rural Arts North Yorkshire**  
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**Notes to financial statements**  
**for the year ended 31 March 2022**

**1.5. Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure 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.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**1.6. Support costs 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, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with the use of the resources.

The analysis of these costs is included in note 10.

**1.7. Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Costs includes costs directly attributable to making the asset capable of operating as intended. Assets costing less than £200 are not capitalised.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less their estimated residual value, of each asset on a systematic basis over its expected useful lives as follows:

|                             |   |  |
|-----------------------------|---|--|
| Freehold land and buildings | - | 2% straight line                       |
| Other Equipment             | - | 10% straight line or 25% straight line |
| IT equipment                | - | 25% straight line                      |

**1.8. Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transactions costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investment' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

**1.9. Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**2. Donations and legacies**

|                        | Unrestricted<br>funds<br>£ | 2022<br>Total<br>£ | 2021<br>Total<br>£ |
|------------------------|----------------------------|--------------------|--------------------|
| Donations              | 1,922                      | 1,922              | 4,424              |
| Gift Aid by Subsidiary | 21,863                     | 21,863             | 6,414              |
|                        | <u>23,785</u>              | <u>23,785</u>      | <u>10,838</u>      |

All of the income from donations and legacies totalling £10,838 in 2021 was attributable to unrestricted funds.

**Rural Arts North Yorkshire**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31 March 2022**

**3. Income from charitable activities**

|  | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2022<br>Total<br>£ | 2021<br>Total<br>£ |
|--|----------------------------|--------------------------|--------------------|--------------------|
| Arts Council England                       | 131,571                    | -                        | 131,571            | 228,663            |
| Arts Council England - On Tour/Flourish    | -                          | 26,050                   | 26,050             | -                  |
| Arts Council England - On Tour             | 20,345                     | -                        | 20,345             | -                  |
| Jerwood Foundation - On Tour               | -                          | 17,550                   | 17,550             | -                  |
| Craven District Council - On Tour          | -                          | 3,000                    | 3,000              | -                  |
| NRTF - On Tour                             | 2,000                      | -                        | 2,000              | -                  |
| Local Authorities & Other - On Tour        | 14,552                     | -                        | 14,552             | 547                |
| NYCC - Suicide Prevention Grant            | -                          | 2,865                    | 2,865              | -                  |
| NYCC - Stronger Communities                | -                          | 5,500                    | 5,500              | -                  |
| Post Code Lottery - Heart & Craft          | -                          | 19,784                   | 19,784             | 2,203              |
| Arnold Clarke - Heart & Craft              | -                          | 2,000                    | 2,000              | -                  |
| Tesco - Heart & Craft                      | -                          | 1,000                    | 1,000              | -                  |
| Your Consortium - Action Towards Inclusion | -                          | 16,117                   | 16,117             | 4,911              |
| Humber Learning - Monday Makers            | -                          | 24,968                   | 24,968             | 10,493             |
| Capital Bid                                | -                          | -                        | -                  | 143,150            |
| Enable Communities - Makerchange           | -                          | 3,867                    | 3,867              | 4,867              |
| North Yorkshire Together                   | -                          | -                        | -                  | 66,060             |
| RADISH                                     | -                          | -                        | -                  | 6,756              |
| Arts Council England - Keepsake            | -                          | 2,893                    | 2,893              | 26,035             |
| FEAST                                      | 34,059                     | -                        | 34,059             | 33,000             |
| Rank Funding - Time to Shine               | -                          | 8,605                    | 8,605              | 12,465             |
| Coventry University                        | -                          | 4,000                    | 4,000              | -                  |
| The Community Foundation                   | -                          | 3,000                    | 3,000              | -                  |
|  | <u>202,527</u>             | <u>141,199</u>           | <u>343,726</u>     | <u>539,150</u>     |

Of the income from charitable activities totalling £539,150 in 2021, £309,940 was attributable to restricted funds and £229,210 to unrestricted funds.

**3.1. Income from On Tour**

|                             | 2022<br>£     | 2021<br>£  |
|-----------------------------|---------------|------------|
| Arts Council England        | 46,395        | -          |
| Promoters Income            | 12,634        | 297        |
| Local Authorities and other | 24,468        | 250        |
|                             | <u>83,497</u> | <u>547</u> |



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**for the year ended 31 March 2022**

**4. Activities for generating funds**

|                | Unrestricted<br>funds<br>£ | 2022<br>Total<br>£ | 2021<br>Total<br>£ |
|----------------|----------------------------|--------------------|--------------------|
| Courthouse     | 68,483                     | 68,483             | 14,540             |
| Gift Voucher   | -                          | -                  | 105                |
| Outreach Sales | 16,701                     | 16,701             | 4,845              |
|                | <u>85,184</u>              | <u>85,184</u>      | <u>19,490</u>      |

All of the income from activities for generating funds totalling £19,490 in 2021 was attributable to unrestricted funds.

**5. Other income**

|                   | Unrestricted<br>funds<br>£ | 2022<br>Total<br>£ | 2021<br>Total<br>£ |
|-------------------|----------------------------|--------------------|--------------------|
| Sundry income     | 53,391                     | 53,391             | 3,893              |
| Government Grants | 20,282                     | 20,282             | 54,159             |
|                   | <u>73,673</u>              | <u>73,673</u>      | <u>58,052</u>      |

All of the other income totalling £58,052 in 2021 was attributable to unrestricted funds.

**6. Analysis of expenditure on raising funds**

|                    | Unrestricted<br>funds<br>£ | 2022<br>Total<br>£ | 2021<br>Total<br>£ |
|--------------------|----------------------------|--------------------|--------------------|
| Marketing salaries | 11,858                     | 11,858             | 11,908             |
|                    | <u>11,858</u>              | <u>11,858</u>      | <u>11,908</u>      |

All of the above costs totalling £11,908 in 2021 is attributable to unrestricted funds.

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**7. Analysis of expenditure on charitable activities - by fund type**

|            | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2022<br>Total<br>£ | 2021<br>Total<br>£ |
|------------|----------------------------|--------------------------|--------------------|--------------------|
| On Tour    | 35,142                     | 46,600                   | 81,742             | 36,463             |
| Outreach   | 48,855                     | 75,282                   | 124,137            | 185,942            |
| Courthouse | 55,853                     | -                        | 55,853             | 38,518             |
| Core       | 100,587                    | 19,877                   | 120,464            | 118,015            |
|            | <u>240,437</u>             | <u>141,759</u>           | <u>382,196</u>     | <u>378,938</u>     |

Of the above costs totalling £378,938 in 2021, £192,261 were attributable to restricted funds and £186,676 to unrestricted funds.

**8. Analysis of expenditure on charitable activities - by activity**

|            | Activities<br>undertaken<br>directly<br>£ | Support<br>costs<br>£ | 2022<br>Total<br>£ | 2021<br>Total<br>£ |
|------------|---|-----------------------|--------------------|--------------------|
| On Tour    | 78,632                                    | 3,110                 | 81,742             | 36,463             |
| Outreach   | 113,216                                   | 10,921                | 124,137            | 185,942            |
| Courthouse | 19,224                                    | 36,629                | 55,853             | 38,518             |
| Core       | -   | 120,464               | 120,464            | 118,015            |
|            | <u>211,072</u>                            | <u>171,124</u>        | <u>382,196</u>     | <u>378,938</u>     |

**9. Governance costs**

|                                     | 2022<br>Total<br>£ | 2021<br>Total<br>£ |
|-------------------------------------|--------------------|--------------------|
| Independent Examiner's remuneration | <u>3,060</u>       | <u>2,445</u>       |

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**10. Analysis of support costs**

|                                     | On Tour      | Outreach      | Courthouse    | Core           | 2022<br>Total  | 2021<br>Total  |
|-------------------------------------|--------------|---------------|---------------|----------------|----------------|----------------|
|                                     | £            | £             | £             | £              | £              | £              |
| Wages and staff costs               | 1,660        | 809           | 23,197        | 50,113         | 75,779         | 98,249         |
| Premises costs and overheads        | -            | -             | 1,063         | 13,081         | 14,144         | 22,007         |
| Professional fees                   | -            | 203           | -             | 16,540         | 16,743         | 40,057         |
| IT and communications               | -            | -             | -             | 1,607          | 1,607          | 2,352          |
| Office costs                        | 445          | 254           | 42            | 3,077          | 3,818          | 11,349         |
| Depreciation                        | -            | -             | -             | 20,686         | 20,686         | 18,564         |
| Finance costs                       | -            | -             | -             | 14,032         | 14,032         | 12,329         |
| Other                               | 1,005        | 2,135         | 12,327        | 5,788          | 21,255         | 9,815          |
| Overheads Recharged                 | -            | 7,520         | -             | (7,520)        | -              | -              |
|                                     | <u>3,110</u> | <u>10,921</u> | <u>36,629</u> | <u>117,404</u> | <u>168,064</u> | <u>214,722</u> |
| Independent examiner's remuneration | -            | -             | -             | 3,060          | 3,060          | 2,445          |
|                                     | <u>3,110</u> | <u>10,921</u> | <u>36,629</u> | <u>120,464</u> | <u>171,124</u> | <u>217,167</u> |

The basis of allocation of support costs is actual spend

**11. Net income for the year**

|  | 2022<br>£     | 2021<br>£     |
|--|---------------|---------------|
| Net income for the year is stated after charging:                |               |               |
| Depreciation and other amounts written off tangible fixed assets | <u>20,686</u> | <u>18,564</u> |

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**12. Staff costs and employee benefits**

| <b>Employment costs</b>            | <b>2022</b>    | <b>2021</b>    |
|------------------------------------|----------------|----------------|
|                                    | <b>£</b>       | <b>£</b>       |
| Salaries                           | 194,081        | 138,655        |
| Social security                    | 6,779          | 4,105          |
| Defined contribution pension costs | 2,113          | 1,814          |
|                                    | <u>202,973</u> | <u>144,574</u> |

No employee received emoluments of more than £60,000 (2021 : None).

**Number of employees**

The average monthly numbers of employees (including the trustees) during the year, calculated on the basis of full time equivalents, was as follows:

|                       | <b>2022</b>   | <b>2022</b> | <b>2021</b>   | <b>2021</b> |
|-----------------------|---------------|-------------|---------------|-------------|
|                       | <b>Number</b> | <b>FTE</b>  | <b>Number</b> | <b>FTE</b>  |
| Raising funds         | 1.0           | 0.5         | 1.0           | 0.5         |
| Charitable activities | 23.0          | 7.4         | 16.6          | 3.6         |
|                       | <u>24.0</u>   | <u>7.9</u>  | <u>17.6</u>   | <u>4.1</u>  |

**13. Trustees' emoluments**

The Trustees neither received nor waived any remuneration during the year (2021: £Nil).

The Trustees had expenses reimbursed during the year totalling £Nil (2021: £Nil).

**14. Interest payable and similar charges**

|                           | <b>2022</b>  | <b>2021</b>   |
|---------------------------|--------------|---------------|
|                           | <b>£</b>     | <b>£</b>      |
| Bank loans and overdrafts | <u>9,226</u> | <u>10,184</u> |

**15. Taxation**

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

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**for the year ended 31 March 2022**

| <b>16. Tangible fixed assets</b> | <b>Freehold<br/>land &amp;<br/>buildings<br/>£</b> | <b>IT<br/>equipment<br/>£</b> | <b>Other<br/>equipment<br/>£</b> | <b>Total<br/>£</b> |
|----------------------------------|--|-------------------------------|----------------------------------|--------------------|
| <b>Cost</b>                      |  |                               |                                  |                    |
| At 1 April 2021                  | 785,686  | 206,770                       | 72,423                           | 1,064,879          |
| Additions                        | -  | 2,875                         | -                                | 2,875              |
| Disposals                        | -  | (122,263)                     | (26,789)                         | (149,052)          |
| At 31 March 2022                 | <u>785,686</u>                                     | <u>87,382</u>                 | <u>45,634</u>                    | <u>918,702</u>     |
| <b>Depreciation</b>              |  |                               |                                  |                    |
| At 1 April 2021                  | 200,445  | 200,945                       | 64,384                           | 465,774            |
| Charge for the year              | 15,714   | 2,625                         | 2,347                            | 20,686             |
| On disposals                     | -  | (121,666)                     | (27,434)                         | (149,100)          |
| At 31 March 2022                 | <u>216,159</u>                                     | <u>81,904</u>                 | <u>39,297</u>                    | <u>337,360</u>     |
| <b>Net book values</b>           |  |                               |                                  |                    |
| At 31 March 2022                 | <u>569,527</u>                                     | <u>5,479</u>                  | <u>6,337</u>                     | <u>581,343</u>     |
| At 31 March 2021                 | <u>585,241</u>                                     | <u>5,825</u>                  | <u>8,039</u>                     | <u>599,105</u>     |

Tangible fixed assets with a net book value of £188,406 (2021: £194,998) have been pledged as security for liabilities of the charity.

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**for the year ended 31 March 2022**

| <b>17. Fixed asset investments</b>      | <b>Subsidiary<br/>undertakings<br/>shares<br/>£</b> | <b>Total<br/>£</b> |
|---|---|--------------------|
| <b>Valuation</b>                        |   |                    |
| At 1 April 2021 and<br>At 31 March 2022 | 10  | 10                 |
|   | <u>10</u>   | <u>10</u>          |
| Historical cost as at 31 March 2022     | 10  | 10                 |
|   | <u>10</u>   | <u>10</u>          |

All fixed asset investments are held within the United Kingdom.

Included within subsidiary investments is a 100% holding in the ordinary share capital of Rural Arts Trading Limited, a company incorporated in England & Wales (company number 08943670). At the year end, the aggregate capital and reserves of the company amounted to £10 and profit for the year amounted to £21,863. Turnover for the year amounted to £98,486 and expenditure for the year amounted to £76,623.

Subsidiary investments are measured at cost less impairment on the basis that they represent shares in entities that are not publicly traded and the fair value cannot otherwise be measured reliably.

| <b>18. Debtors</b>                 | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
|------------------------------------|-------------------|-------------------|
| Trade debtors                      | 16,509            | -                 |
| Amounts owed by group undertakings | -                 | 9,193             |
| Gift aid donations from subsidiary | 21,863            | 6,414             |
| Other debtors and prepayments      | 6,607             | 415               |
| Prepayments and accrued income     | 17,226            | 83,548            |
|                                    | <u>62,205</u>     | <u>99,570</u>     |

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**for the year ended 31 March 2022**

**19. Creditors: amounts falling due within one year**

|                                    | 2022          | 2021          |
|------------------------------------|---------------|---------------|
|                                    | £             | £             |
| Bank loan                          | 8,177         | 6,745         |
| Trade creditors                    | 6,898         | 21,556        |
| Amounts owed to group undertakings | 9,928         | -             |
| Other taxes and social security    | 3,200         | 5,453         |
| Other creditors                    | 990           | 2,032         |
| Accruals and deferred income       | 13,240        | 1,500         |
|                                    | <u>42,433</u> | <u>37,286</u> |

**20. Creditors: amounts falling due after more than one year**

|           | 2022           | 2021           |
|-----------|----------------|----------------|
|           | £              | £              |
| Bank loan | <u>180,229</u> | <u>188,253</u> |

Bank loans totalling £188,406 are secured by a first charge on the freehold land and buildings.

Bank loan terms of repayment are 15 years and interest is payable at 5.28% on the principle amount.

Bank loans include aggregate amounts of £142,252 (2021: £144,555) which fall due after five years and which are payable by installments.

**21. Analysis of net assets between funds**

|   | Unrestricted funds | Restricted funds | Total funds    |
|---|--------------------|------------------|----------------|
|   | £                  | £                | £              |
| Fund balances at 31 March 2022 as represented by: |                    |                  |                |
| Tangible fixed assets                             | 581,343            | -                | 581,343        |
| Investment assets                                 | 10                 | -                | 10             |
| Current assets                                    | 391,978            | 49,935           | 441,913        |
| Current liabilities                               | (42,433)           | -                | (42,433)       |
| Long-term liabilities                             | (180,229)          | -                | (180,229)      |
|   | <u>750,669</u>     | <u>49,935</u>    | <u>800,604</u> |

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**for the year ended 31 March 2022**

**22. Unrestricted funds**

|              | At<br>01/04/21<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | Transfers<br>£ | At<br>31/03/22<br>£ |
|--------------|---------------------|----------------------------|----------------------------|----------------|---------------------|
| General fund | <u>591,719</u>      | <u>385,169</u>             | <u>(252,295)</u>           | <u>26,076</u>  | <u>750,669</u>      |

**Purposes of unrestricted funds**

The general fund comprises those funds which the trustees are free to use in accordance with the charitable objectives, including land and buildings and other tangible assets. Incorporated in the General Fund is a Designated Fund of £47,000 which was designated by the Trustees towards future artistic projects.



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**for the year ended 31 March 2022**

**23. Restricted funds**

| Project Title              | Grant Provider           | At<br>01/04/21<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | Transfers<br>£  | At<br>31/03/22<br>£ |
|----------------------------|--------------------------|---------------------|----------------------------|----------------------------|-----------------|---------------------|
| Art Beat                   | NYCC                     | 25,000              | -                          | -                          | -               | 25,000              |
| Capital Bid                | Various                  | 1                   | -                          | -                          | (1)             | -                   |
| FEAST                      | NYCC                     | 33,000              | -                          | -                          | (33,000)        | -                   |
| Flourish                   | ACE                      | -                   | 26,050                     | (26,050)                   | -               | -                   |
| On Tour - Funding of Post  | Jerwood Foundation       | -                   | 17,550                     | (17,550)                   | -               | -                   |
| On Tour                    | Craven DC                | -                   | 3,000                      | (3,000)                    | -               | -                   |
| Stronger Communities       | NYCC                     | -                   | 5,500                      | (5,500)                    | -               | -                   |
| Heart & Craft              | Post Code Lottery        | -                   | 19,784                     | (5,845)                    | -               | 13,939              |
| Heart & Craft              | Arnold Clarke            | -                   | 2,000                      | -                          | -               | 2,000               |
| Heart & Craft              | Tesco                    | -                   | 1,000                      | (1,000)                    | -               | -                   |
| Action Towards Inclusion   | Your Consortium          | -                   | 16,117                     | (17,546)                   | 1,429           | -                   |
| Monday Makers              | Humber Learning          | -                   | 24,968                     | (21,334)                   | -               | 3,634               |
| Keepsake                   | Arts Council England     | 6,431               | 2,893                      | (14,773)                   | 5,449           | -                   |
| MakerChange                | EN:Able Communities CIO  | 4,867               | 3,867                      | (8,781)                    | 47              | -                   |
| Suicide Prevention Project | NYCC                     | -                   | 2,865                      | -                          | -               | 2,865               |
| Time to Shine              | Rank Foundation          | 7,272               | 8,605                      | (15,877)                   | -               | -                   |
| Website                    | Coventry University      | -                   | 4,000                      | (4,000)                    | -               | -                   |
| Restore                    | The Community Foundation | -                   | 3,000                      | (503)                      | -               | 2,497               |
|                            |                          | <u>76,571</u>       | <u>141,199</u>             | <u>(141,759)</u>           | <u>(26,076)</u> | <u>49,935</u>       |

**Purposes of restricted funds**

Art Beat is a programme to support the wellbeing of older people who are housebound or living in care settings. FEAST supports young people on benefits-related Free School Meals with holiday activities and food. Flourish was an artist development programme for performing artists. The Jerwood Foundation funded the employment of our Creative Producer (Performing Arts). Craven District Council funded the delivery of ON Tour in the Craven district. Stronger Communities provided funding towards an organisational review. The Postcode Neighbourhood Trust, Arnold Clarke and Tesco funded Heart & Craft, our creative wellbeing programme for older people in 8 rural communities. Action Towards Inclusion provides creative wellbeing interventions for those further from the workplace. Monday Makers is a creative business skills programme for people not in education, work or training. Keepsake was a commission programme of performing and visual arts to support those most isolated during the pandemic. MakerChange was a six-month creative business skills programme for alumni of Monday Makers. The Suicide Prevention project grant is to deliver activities to improve mental wellbeing. The Time to Shine grant contributed towards the employment of Rural Arts' Digital Content and Communities Coordinator. Coventry University, via the Digital Advantage Fund, contributed towards Rural Arts' new website. Restore, funded by the Community Foundation, is to run activities for adults with dementia and poor mental health.

**Transfers between funds**

Transfers in the year totalled £26,076, £6,925 of which reflected negative balances accrued against some project activity and (£33,001) reflected amounts that were incorrectly recognised as restricted in the prior period. The total amount has been met by unrestricted funds achieved by Rural Arts.

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**25. Related party transactions**

During the year there have been no related party transactions. During the previous year accountancy software had been purchased at an amount of £2,600 through C & GB Associates, an accountancy practice that G Baragwanath is a partner of. The purchase of this software was carried out at an arm's length transaction and was agreed by the trustees before purchasing the software through C & GB Associates.

The value of all related party transactions were at arms length and market rates.

**26. Company limited by guarantee**

Rural Arts North Yorkshire is a company limited by guarantee and accordingly does not have a share capital.

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