QUEENS HALL ARTS

England & Wales · Charity number 1088975

Details

Status	Registered
Legal form	Charitable company
Company number	03929839
Registered	2001-10-19
Register	View on the Charity Commission register

Contact

Address	Queens Hall Beaumont Street Hexham NE46 3LS
Phone	01434652477
Email	katy.taylor@queenshall.co.uk
Website	www.queenshall.co.uk

Activities

Objects: TO ADVANCE PUBLIC EDUCATION AND APPRECIATION IN THE ARTS IN ALL THEIR FORMS, PARTICULARLY BUT NOT EXCLUSIVELY, FOR THE BENEFIT OF THE PEOPLE IN THE COUNTRIES OF NORTHUMBERLAND, CUMBRIA, TYNE AND WEAR AND DURHAM THROUGH THE PROVISION, MAINTENANCE AND MANAGEMENT OF QUEEN'S HALL ARTS CENTRE, HEXHAM AND BY ANY OTHER CHARITABLE MEANS THAT THE TRUSTEES MAY FROM TIME TO TIME THINK FIT.

Activities: TO PROVIDE AN ARTS SERVICE IN THE NORTH EAST OF ENGLAND PRIMARILY THROUGH THE OPERATION OF THE QUEEN'S HALL ARTS CENTRE IN HEXHAM. QUEEN'S HALL ARTS' VISION STATEMENT IS TO "DEVELOP HIGH QUALITY ARTS PROVISION AT THE QUEEN'S HALL ARTS CENTRE THAT WILL ENRICH AND SERVE LOCAL AND OUTREACHED COMMUNITIES, DEVELOPING A CREATIVE FUTURE FOR ALL"

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Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** COUNTIES OF NORTHUMBERLAND/ CUMBRIA TYNE & WEAR AND DURHAM
- Northumberland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,121,364	£1,244,120	£629,893	16
2024-03-31	£1,053,751	£1,215,736	£752,649	16
2023-03-31	£889,646	£1,039,360	£914,634	13
2022-03-31	£903,846	£808,155	£1,064,348	9
2021-03-31	£734,217	£411,368	£382,518	13

Trustees

Name	Role	Appointed
Addison James Keen		2022-12-07
Carly Foster		2024-06-01
Dr Ceri Anne Gibson		2024-06-01
Dr SUZANNE FAIRLESS-AITKEN		2022-12-05
Garry Fairfax Lyons		2021-10-13
Jessica Ellen Armstrong		2022-12-05
Lynn Turner		2021-10-13
Simon Peter Beckwith		2022-12-05
Susan Lesley Barnes Bubic		2024-06-01

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QUEENS HALL ARTS

England & Wales - Charity number 1088975

Accounts

Company Registration Number 03929839

Registered Charity Number 1088975

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)

REPORT AND ACCOUNTS
For the year ending 31 March 2025

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Queen's Hall Arts Limited
Charity registration number	1088975
Company registration number	03929839
Registered office	Queens Hall Arts Centre, Beaumont Street, Hexham, Northumberland, NE46 3LS

Trustees

For the purposes of the Companies Act 2006, the Board of Trustees is the Board of Directors of the charitable company and is referred to as the Trustees throughout this report.

The Trustees of Queen's Hall Arts during the period and to the date of signing this report are as follows:

Rachel Adam	
Jessica Armstrong	
Simon Beckwith	
Susan Bubic	Appointed 1 June 2024
Dr Suzanne Fairless-Aitken	
Carly Foster	Appointed 1 June 2024
Ceri Gibson	Appointed 1 June 2024
Addison Keen	
Angeline Lucas	Resigned 13 June 2025
Garry Lyons	
Dr Anthony Newton	Resigned 21 September 2024
Lynn Turner (Chair)	

Company Secretary	Katy Taylor
Auditors	Cocke, Vellacott & Hill, Chartered Accountants, Unit 28 City Business Centre, Lower Road, London, SE16 2XB
Bankers	Barclays Bank Plc, Priestpopple, Hexham, Northumberland NE46 1PE
Solicitors	Nicholson Portnell, Priestpopple House, Hexham, Northumberland NE46 1PL

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2025

The Trustees, who are also Directors for the purposes of company law, present their report and the audited financial statements of the charity for the year ended 31 March 2025.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Queen's Hall Arts is a charitable company limited by guarantee, incorporated on 21 February 2000 and registered as a charity on 19 October 2001.

The charity is controlled by its governing document, its Memorandum & Articles of Association, as amended by Special Resolutions dated August 2001 and 20 May 2009 and constitutes a limited company, limited by guarantee, as defined by the Companies Act.

The Directors of the company are also Trustees of the charity. Eligibility for membership of the charity, and membership of the Board of Trustees, is governed by the Articles of Association. There are no restrictions in the governing document on the operation of the charity other than those imposed by general charity law.

Structure and Governance

The Board of Directors, which can have between 5 -12 members, administers the charity.

1 Member is nominated by Northumberland County Council (NCC) with between 4 and 11 Members elected by resolution in a General Meeting and/or co-opted at a meeting of the Board.

The charity currently has a Board of 10 non-executive Trustees.

The Board meets approximately every 3 months and there are committees covering Finance & Risk, Operations and External Relations which meet regularly. Additionally, there are working groups which act in an advisory capacity.

A Chief Executive, the Artistic Director, is appointed by the Trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Artistic Director has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and artistic programme.

The charity has a close relationship with Northumberland County Council and Arts Council England. These two bodies provide essential core funding to the company. Ongoing funding is subject to annual reviews and agreements on performance targets.

The Queen's Hall, where the bulk of the company's activities take place, is leased from Northumberland County Council, at a peppercorn rent.

The company operates sub-leases at the Queen's Hall to:

- Customer Services, Northumberland CC.
- cafe operators, which under the terms of its lease is required to provide agreed levels of service to arts centre users (in addition to its independent commercial operations).
- small start-up companies in the Creative Spaces area.

There is no structural connection between the charity and these companies.

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Recruitment and Appointment of Board of Trustees

The recruitment of new members is periodically undertaken by the Board, which follows an open and fair recruitment process taking due account of the skills needed by the company and the desire for its membership to reflect the diversity of the local population.

Nominees appointed by the Local Authority are subject to the appointment processes of this body and the guidelines on appointment to public office as they apply to local government nominees.

Trustee Induction and Training

New Trustees are inducted by the Chair and Artistic Director and are provided with a range of resources to support their understanding of Queen's Hall Arts' activities. Trustee training is delivered either through external advisors or charity members of staff.

Reserves Policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission, having reviewed the risks facing the organisation, seeking to maintain a level of reserves which enables the charity to operate effectively with financial stability and the means to fulfil its charitable purpose.

The Trustees aim to hold a level of Unrestricted Funds which enables the charity to have sufficient working capital to continue to operate and also reflects the risks associated with shortfalls in funding, especially withdrawal of support from existing funders. If alternative sources of funding were not forthcoming, then this amount would provide the means for Queen's Hall Arts to settle any outstanding contracts and close the company in an orderly manner.

The Trustees anticipate the free Unrestricted Funds needed to fulfil these criteria as £60,000 as a minimum. The Trustees then aspire to retain an additional allowance of £20,000 as a further contingency and to enable the charity to respond flexibly to issues or appropriate initiatives which might be identified outside of its annual budgeting process.

The target level of free Unrestricted Funds is therefore in the range of £60,000 to £80,000.

The charity's total Unrestricted Funds at 31 March 2025 are £611,278 (2024: £706,909).

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Free Reserves, defined as non-designated Unrestricted Funds minus the value of Unrestricted Tangible Fixed Assets of £681,720, are £(70,442) and therefore fall below the target range.

The Trustees aim, through their budgeting processes, to restore Free Reserves to within the target range within 5 years.

The Board regularly reviews the level of reserves that are required to ensure that they are adequate to fulfil our continuing obligations and to allow the organisation to fulfil its charitable purpose.

Grant Making Policy

The charity does not currently engage in grant-making activity, other than the occasional award of small bursaries.

The Contribution of Volunteers

The charity normally works with approximately 25 volunteers per year.

OBJECTIVES AND ACTIVITIES

Charitable Purpose

The Objects of the charity are to advance public education and appreciation in the arts in all their forms, particularly but not exclusively, for the benefit of the people in the countries of Northumberland, Cumbria, Tyne and Wear and Durham through the provision, maintenance and management of Queen's Hall Arts Centre, Hexham and by any other charitable means that the trustees may from time to time think fit.

Mission & Vision

In 2016 a new mission statement was agreed by the Trustees. This informed delivery subsequently provided the structure for successful medium-term funding bids to Arts Council England and Northumberland County Council.

OUR MISSION is to be the creative heart of the community, delivering great arts experiences and supporting professional and aspiring artists.

THE CREATIVE HEART OF THE COMMUNITY

a) A welcoming and stimulating environment for all to experience a broad range of arts activities.
b) Theatre, studio and gallery spaces and other resources at the Queen's Hall Arts Centre for the presentation of work to the highest possible standard.
c) A focal point for cultural organisations where links and partnerships can be developed.
d) Engagement with the full diversity of our community.
e) Resources that can be easily accessed by a large rural catchment.

OBJECTIVES AND ACTIVITIES (CONTINUED)

Mission and Vision (Cont.)

GREAT ARTS EXPERIENCES

a) A range of shows, exhibitions and other events that are both entertaining and stimulating.
b) High quality touring work from across the country (and beyond) that reflects the diversity and range of contemporary arts interests in Britain.
c) In-house and commissioned work that is informed by a relationship with the community.
d) Participatory activities that are fulfilling and develop skills.
e) Great events and other activities across West Northumberland (and beyond).

SUPPORTING PROFESSIONAL AND ASPIRING ARTISTS

a) Commissions, productions & co-productions.
b) Residencies.
c) Mentoring and other long-term support.
d) Training and skills development opportunities.
e) A high proportion of our work with and for young people.
f) Technical and organisational support for artists opening new productions.
g) Networking, collaborating and taking part in partnership initiatives.
h) Programming new and challenging work.
i) Contributing to a viable arts ecology, regionally and nationally.

Queen's Hall Arts' vision statement is to "develop high quality arts provision at the Queen's Hall Arts Centre that will enrich and serve local and outreached communities, developing a creative future for all".

Public Benefit

The Trustees understand and have discussed the implications of the provisions of the Charities Act 2006, which state that all charities must demonstrate that they are established for public benefit, and have had due regard to the public benefit guidance issued by the Charity Commission. The Trustees believe that the charity meets both of the key principles.

Principle 1 – There must be an identifiable benefit, or benefits

Queen's Hall Arts is committed to the educational and social advancements that benefit from its activities and to making those activities as accessible as possible. We provide year-round participatory activities both in community and educational settings.

The artistic programme at the arts centre includes a range of events which reflect a wide variety of local interests, creating opportunities for audiences and performers. Our ticket pricing policy includes discounts to students, and those on low incomes. Exhibitions in the gallery are free. We provide and subsidise outreached events to small communities across a large part of Northumberland.

Principle 2 - Benefit must be to the public, or a section of the public

OBJECTIVES AND ACTIVITIES (CONTINUED)

Public Benefit (Cont.)

Queen's Hall Arts' work is available to all members of the public.

Risk Management

The Trustees will continue to conduct an annual risk management review and put in place any required plans or procedures.

As licensed premises the Queen's Hall is subject to regular inspection from statutory and other regulatory bodies to ensure compliance and good practice in a number of areas including health and safety, environmental health, and management of performing rights.

Financial reports are produced by management on a quarterly basis and presented to board meetings. These reports are also subject to scrutiny by the Finance and Risk Committee.

The Trustees consider the key risks facing the charity at this time and the mitigating actions taken to be as follows:

Workload of core staff and freelance team becomes unmanageable:

- Monthly check-ins in place to identify any workload issues at early stage and implement mitigating actions.
- Annual activity of company mapped out to understand any potential 'pinch-points' and additional resource/staffing built into project budgets and arranged as required.
- Realistic time frames built into all projects
- Health and wellbeing of team prioritised to ensure a positive and supporting working culture.

Not achieving audience targets:

- Focus on regional touring and strong audience development work with local audiences and community partners.
- Developing a robust marketing plan for the organisation and for every project. Sales reports are monitored and acted on in good time if not at target.
- Projected income from tickets sales reflects the current financial climate.

Long-term absence of Director, other Senior Management or Trustees due to resignation or illness:

- Development of Senior Management Team supports absences.
- Increasing the number of Trustees improves resilience and Trustee succession planning, as well as providing consistently.

Not achieving income targets (trusts and foundations, earned income, individual giving):

- Uncertainty around long-term impact on Trusts and Foundations funding mitigated through building relationships with existing funders, and making applications to new funders, to build on previous fundraising success.
- Opportunities to diversity income further are currently being explored through consideration of increased individual giving and sponsorship opportunities.

OBJECTIVES AND ACTIVITIES (CONTINUED)

Risk Management (Cont.)

Increased footfall in the venue will increase maintenance costs:

- Monitored by the Senior Management Team and reported to the Operations Sub-Committee.
- Increased venue levy added to key performances to support additional costs
- A more confident strategy of ticket pricing for commercial and touring work
- Clear donation messaging within the building to encourage donations
- Strategic programming of early-years shows in the studio space as first experiences for nurseries and families

Cost of Living crisis impacts operations:

- Increases to salaries and freelance rates of pay have been accounted for in 2025-26 budget.
- Projects realistically budgeted and contingencies increased and utilised as required.
- Regular financial monitoring by Senior Management Team and Finance and Risk Committee.

Compliance with legislation/regulations appropriate to the activities, size and structure of the charity:

- Balanced Board including experienced Trustees, an annual Board calendar with applicable requirements noted, responsibilities assigned and monitored.

The Trustees also manage the general financial risks arising by ensuring that:

- Prudent budgets have been set for the next financial year
- The charity maintains a prudent, low-cost operating base
- Regular management accounts are provided, showing the performance against budget
- Contingency plans are in place should income levels appear unlikely to reach targets
- Reserves policies have been adopted which provide an appropriate level of uncommitted reserves which will enable the charity to meet its liabilities.

ACHIEVEMENTS AND PERFORMANCE

Facing Forward: Creativity, Connection, and Community Impact

In 2024/25, Queen's Hall Arts (QHA) continued to demonstrate resilience, creativity, and community focus amid evolving challenges. Our work is guided by our mission to:

- Be the creative heart of the community
- Enable great art experiences
- Support professional and aspiring artists

This year's report reflects our continued growth, our strengthening partnerships, and our commitment to inclusivity and opportunity for all. From bold new festivals to expanded youth engagement, we have deepened QHA's role as a cultural cornerstone in Hexham, the Tyne Valley, and beyond.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of Major Achievements

Over the past year, QHA delivered an ambitious and diverse programme of performances, festivals, exhibitions, and participatory projects. We commissioned new work, nurtured emerging artists, and celebrated inclusivity through community-led initiatives. Our programme engaged audiences of all ages, while supporting professional pathways for young people and creating vital opportunities for underrepresented groups.

In 2024/25, we welcomed over 102,000 visits across 738 performances, workshops, and exhibitions, cementing our role as a vibrant creative hub for Hexham and the wider Northumberland community. We supported more than 36 freelancers, ensuring local creative professionals have opportunities to thrive in a professional environment.

Highlights included the launch of **Inspire Festival** in partnership with Dance City, our **fourth Lantern Parade** with Gateway into the Community, and the culmination of the youth-led **Key Change** project. We also played host to **Hexham Book Festival's Schools Week**, major exhibitions such as **Heartwood** in partnership with the National Trust, and continued the much-loved **Illuminated Sheep** project along Hadrian's Wall.

Expanding Our Reach and Community Engagement

Community connection remained at the heart of our work.

- **Lantern Parade** brought together nearly 100 members of Gateway into the Community to create a spectacular train lantern, reinforcing creativity as a tool for inclusion.
- **Hexham Pride** celebrated its second year with a joyful parade and performances, shaped by a community steering group.
- Through initiatives like the **Priory School Project**, we deepened our commitment to accessibility, providing meaningful engagement for children with severe learning disabilities.

We also ensured accessibility through free ticket distribution via Rosie's Corner and the Food Bank, and inclusive events like **Krokodile Club**, a sell-out disco for adults with learning disabilities.

Showcasing the Arts and Our Region

This year, our stages and galleries reflected both global perspectives and local creativity:

- **Christmas Productions**: Two commissioned shows by Kitchen Zoo — *Jack and the Beanstalk* and *The Night Before Chrismouse* — exceeded ticket targets and delighted audiences.
- **Exhibitions**: From the powerful *Heartwood* Sycamore Gap tribute to *Drawing for the Planet – Chimpanzee Community*, QHA amplified environmental and cultural voices across generations and borders.
- **Performance Spaces**: We expanded artistic opportunities by transforming our bar and foyer into regular spaces for visual arts and community performances.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Key Project Highlights of 2024/25

- **Inspire Festival**: Celebrated movement and creativity for older adults, with taster classes, community sharings, and discussions.
- **Illuminated Sheep**: Expanded along Hadrian's Wall, with communities adopting 50 sheep including four schools participating. The project continues to capture imaginations regionally and nationally.
- **Key Change Takeover**: Youth-led event with 250 participants, developing leadership and creative skills.
- **Summer Engagement**: From a Theatre Summer School to space-themed family workshops and nature journaling, we ensured QHA remained active throughout the summer holidays.
- **Residencies & Touring**: Hosting companies like Rendez-Vous Dance, Elysium Theatre (*Othello*), and Anthony Lo Guidice strengthened our role as a creative hub for artists and companies within the North East.

Equality, Diversity, and Inclusion

This year we continued to embed inclusivity in our programming and organisational practices:

- **Hexham Pride** grew in scale and impact, co-designed with the LGBTQAI+ community.
- **Priory School Project** improved our accessibility offer and will lead to staff Makaton training.
- **Krokodile Club** proved the demand for accessible nightclub experiences.
- Free tickets, family-friendly exhibitions like **Christmas Chill**, and collaborative projects ensured access for those most in need.

Skills, Career Development, and Young People

Nurturing the next generation of creatives and audiences remained a priority:

- **Youth Theatre Summer School** built confidence and performance skills, supported by volunteers.
- **School Engagement**: 150 Year 7 pupils visited QHA for backstage tours and workshops, while 90 Haydon Bridge students attended *Othello*.
- **Work Experience & A-Level Showcase**: We hosted placements and exhibited student work, celebrating young talent.
- **Key Change Youth Project** continued with workshops in songwriting, beatboxing, and sound recording.
- **Film & Screen Club**: A new National Saturday Club initiative, supported by BFI funding, will develop film and screen skills for 13–16-year-olds.

Addressing Pressures and Building Sustainability

In a changing funding and economic landscape, QHA sustained momentum through:

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Addressing Pressures and Building Sustainability (Cont.)

- Expanded partnerships with organisations including Dance City, the National Trust, and Elysium Theatre.
- Diversified revenue streams from bar, retail, and hires.
- Investment in staffing, accessibility training, and governance.

Financial Review

The out-turn for the year is an unrestricted deficit of £95,631 (2024: Deficit £101,800). The deficit will be deducted from Unrestricted Funds, leaving a balance on Unrestricted Funds at 31 March 2025 of £611,278.

The financial environment in 2024/25 continued to present significant challenges for Queen's Hall Arts. Ongoing international instability and the cost-of-living crisis sustained high levels of unpredictability, requiring us to remain agile in our financial planning. Rising energy prices and increased supplier costs continued to put pressure on our operating budget, alongside essential building maintenance.

At the close of the first year of our new five-year plan, co-created by the Board and staff, we are already seeing the positive results of our "invest to save" approach. Revenue has grown, and we have been able to increase investment in both our infrastructure and our people. These strategic choices are strengthening the organisation's foundations for long-term sustainability.

Despite external pressures, audiences continue to grow, ticket sales are rising, and demand for our participation programmes remains strong. This resilience underlines the value our communities place on Queen's Hall and gives us confidence to move forward with careful but ambitious planning.

PLANS FOR THE FUTURE

Ambitions and Challenges for 2025/26

As we move into the second year of our five-year plan, we are committed to building on the successes of 2024/25 with renewed focus on growth, resilience, and sustainability. The year ahead represents a crucial moment for us to deepen our impact as a creative hub and to ensure our cultural, social, and economic contribution to the Tyne Valley and the wider North East region.

We will:

- Deepen and broaden partnerships across the North East and beyond, fostering collaborations that expand our reach, strengthen our resources, and amplify our role within the regional cultural ecosystem.

- Enhance opportunities for young people and emerging artists, investing in the next generation of creativity by providing platforms

PLANS FOR THE FUTURE (CONTINUED)

Ambitions and Challenges for 2025/26 (Cont.)

- Strengthen engagement with schools, with an emphasis on effective project management of arts learning and participation.
- Continue to embed inclusivity and accessibility across our work, ensuring our programmes, spaces, and opportunities remain welcoming and relevant to all communities.
- Continue to grow audiences for our Christmas programme, while exploring innovative ways to attract and retain wider audiences year-round.
- Increase donations and philanthropic support by demonstrating the value of our free gallery activity and ensuring audiences and supporters understand the vital role their contributions play in sustaining cultural life.
- Drive forward the Hexham Arts Town initiative, taking a leadership role and aligning our activities with the wider ambition of positioning Hexham as a vibrant centre of creativity.
- Build on the progress already made through our "invest to save" approach, by improving and sustaining our infrastructure through a programme of building repairs and by seeking additional funding to safeguard our Arts Centre for the future.
- Embed environmental thinking at the core of our strategic planning, not only reducing our own footprint but also sharing learning and practice across the sector to inspire wider change.

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2025

RESPONSIBILITIES OF THE TRUSTEES

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

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

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Signed on behalf of the Trustees



Lynn Turner
Trustee
Company Registration Number 03929839

October 2025

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
AUDITORS' REPORT
For the year ended 31 March 2025

Opinion
We have audited the financial statements of Queen's Hall Arts for the year ended 31 March 2025 which comprise the statement of financial activities, summary income and expenditure, balance sheet, statement of cash flows and notes to the financial statements including a summary of significant accounting policies. The financial framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:
- give a true and fair view of the state of the charity's affairs as at 31 March 2025, and of its incoming resources and application of resources 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 Charities Act 2011.

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 charity 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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10 the trustees (who are also directors of the charity 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 directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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 have obtained an understanding of the charity's policies, procedures and activities through discussions with senior management and during our site visit.

We also drew on our existing understanding of the work that the charity does and reviewed available third party information about the charity.

We understand that the charity complies with its responsibilities through close involvement of the CEO in the day to day running of the business and regular liaison between her and the Chair of trustees. Were there any litigation or claims they would come to the attention of the CEO directly.

The charity also holds quarterly board meetings and quarterly Finance and Risk Committee meetings at which all such matters are discussed. Financial and governance matters are discussed in detail along with attendance trends and future strategy. We have reviewed the minutes of all board meetings, and no irregularities were identified.

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 charity's ability to conduct business and where failure to comply could result in material penalties.

We have considered the disclosure requirements of the Charities Act 2011, along with the Charities SORP FRS102 and the Charities (Accounts and Reports) Regulations 2008 as part of our finalisation processes.

We discussed the possibility of fraud with senior management and whether they had any knowledge of any actual, alleged or suspected fraud. We designed our audit tests to cover all areas of activity at the centre.

In common with all audits under ISAs (UK) we also performed specific procedures to respond to the risk of management override. We assessed that the charity's control environment is adequate for the size and operating model of such a charity.

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 charity's members, as a body, in accordance part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Cocke, Vellacott & Hill

COCKE, VELLACOTT & HILL
Chartered Accountants and Statutory Auditor
Unit 15 City Business Centre
Lower Road
LONDON SE16 2XB

Date: 1 October 2025

Cocke, Vellacott & Hill is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act.

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Income					
Income from Investments	2	1,109	-	1,109	1,120
Income from Grants, Donations & Legacies	3	221,614	109,698	331,312	412,524
Income from Charitable Activities	4	629,435	-	629,435	580,860
Other Income	5	159,508	-	159,508	59,247
Total Income		**1,011,666**	**109,698**	**1,121,364**	**1,053,751**
Expenditure					
Cost of Raising Funds	6	-	-	-	3,750
Expenditure on Charitable Activities	7	1,107,297	136,823	1,244,120	1,211,986
Total Expenditure		**1,107,297**	**136,823**	**1,244,120**	**1,215,736**
Net Income/(Expenditure)		**(95,631)**	**(27,125)**	**(122,756)**	**(161,985)**
Balance brought forward at 1 April		706,909	45,740	752,649	914,634
Balance carried forward at 31 March		**£611,278**	**£18,615**	**£629,893**	**£752,649**

The notes on pages 18 to 30 form part of the financial statements.

All of the activities of the company are classed as continuing.

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION/BALANCE SHEET
AS AT 31 MARCH 2025

	Notes	2025 £	2024 £
Fixed Assets			
Tangible Fixed Assets	10	681,720	731,483
Current Assets			
Stocks	11	2,977	2,848
Debtors	12	58,667	122,277
Cash At Bank & In Hand		58,364	70,768
		120,008	195,893
Creditors – Amounts Falling Due Within 1 Year	13	(171,835)	(174,727)
Net Current Assets/(Liabilities)		(51,827)	21,166
Total Net Assets	14	**£629,893**	**£752,649**
Represented by:			
Unrestricted Funds	15	611,278	706,909
Restricted Funds	15	18,615	45,740
		£629,893	**£752,649**

The notes on pages 18 to 30 form part of the financial statements.

The Trustees are satisfied that for the year ended 31 March 2025 the charity was entitled to exemption under section 477(2) of the Companies Act 2006.

The Trustees also confirm that the Members have not required the charity to obtain an audit in accordance with section 476 of the Companies Act 2006

The Trustees acknowledge their responsibilities for:

(i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved and signed by a Member of the Board of Trustees on 1 October 2025.

Lynn Turner
Trustee
Company Registration Number 03929839

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting Policies

Basis of Accounting
These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 and the Statement of Recommended Practice (Charities SORP FRS 102) "Accounting and Reporting by Charities" and the Charities Act 2011.

The financial statements have been prepared on the historical cost basis, modified to include certain financial instruments at fair value.

Advantage has been taken of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cashflows.

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

Taxation Status
Queen's Hall Arts Limited is a Charity registered under the 1960 Charities Act and is accorded exemption from liability to taxation on its income under S505 Income and Corporation Taxes Act 1988.

Going Concern
There are no material uncertainties about the charity's ability to continue.

Income
All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy.

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

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.
- Other income is accounted for when receivable.

1. **Accounting Policies (Continued)**

Operating Leases
The charity classifies the lease of certain types of equipment as operating leases as the title to the equipment remains with the lessor. Rental charges are charged against income on a straight-line basis over the period of the lease.

Tangible Fixed Assets and Depreciation
Depreciation is provided on any fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

Motor Vehicles	- 25% straight line on cost
Plant & Machinery	- 10% straight line on cost
Fixtures & Fittings	- 25% straight line on cost
Long Leasehold	- 10% straight line on cost
Property Improvements	- 10% straight line on cost

A full year's depreciation charge is applied in the year of acquisition and no charge is made in the year of disposal.

Impairment of Fixed Assets
A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial Instruments
A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost where there is a material adjustment.

Fund Accounting
Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

1. **Accounting Policies (Continued)**

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

Judgements and Key Sources of Estimation Uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no significant judgements or estimation uncertainty included within the financial statements.

Pensions
The charity operates a defined benefit pension scheme for 1 qualifying employee. The scheme is not open for others to join. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Pension benefits for other staff are provided through a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. The charity makes contributions to this pension scheme and acts as an agent in collecting and paying over both the employee and employer contributions.

For both schemes, the charity makes contributions to this pension scheme and acts as an agent in collecting and paying over both the employee and employer contributions, whilst the amount charged to the Statement of Financial Activities for pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

Legal Status
The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company law members of the charity are the members of its Board of Trustees.

2. **Income from Investments**

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Interest Receivable	1,109	-	1,109	1,120
	£1,109	**£-**	**£1,109**	**£1,120**

The 2024 total of £1,120 was wholly attributable to Unrestricted Funds.

3. Income from Grants, Donations & Legacies

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Arts Council England (ACE) – National Portfolio Organisation	120,321	-	120,321	120,321
29th May 1961 Charitable Trust – Roof Repairs	-	-	-	6,000
Arts Society – Book Festival Intern	-	-	-	3,000
Community Foundation – The Future Is Now	-	10,000	10,000	-
Hadrian Trust – Youth Theatre	-	-	-	1,000
Historic England – Beneath Our Feet	-	-	-	1,750
National Foundation for Youth Music - Key Change Project 2024	-	-	-	43,120
National Foundation for Youth Music - Key Change Project 2025	-	9,800	9,800	40,768
National Saturday Club - Delivery of National Film and Screen Saturday Club	-	5,000	5,000	-
Northumberland County Council (NCC)	86,200	-	86,200	120,008
NCC – Building Survey Contribution	-	5,900	5,900	-
NCC – Members' local improvement scheme	-	3,683	3,683	-
NCC - Ignite	-	-	-	2,253
NTCA – Illuminated Sheep	-	18,757	18,757	36,244
NTCA - Lanterns	-	29,105	29,105	29,178
Scop Arts Trust – Elastic Band Expansion	-	1,800	1,800	-
The Prime Fund & Thornton Family Grassroots Fund – Hexham Priory School Project	-	4,000	4,000	-
	206,521	**88,045**	**294,566**	**404,242**
Donations & Gift Aid				
Smith (Haltwhistle and District) Charitable Trust	600	-	600	600
Other Donations & Gift Aid	14,493	21,653	36,146	8,282
	15,093	**21,653**	**36,746**	
	£221,614	**£109,698**	**£331,312**	**£412,524**

Of the 2024 total of £412,524, £247,479 was attributable to Unrestricted Funds and £165,045 to Restricted Funds.

4. Income from Charitable Activities

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Ticket Sales & Commission	472,910	-	472,910	414,004
Consultancy & Project Fees	14,200		14,200	-
Theatre/Room Hire & Library Service Charges	116,999	-	116,999	140,440
Front of House Sales & Commission	10,116	-	10,116	8,854
Recharge Income	15,210	-	15,210	17,562
	629,435	**£-**	**629,435**	**£580,860**

The 2024 total of £580,860 was wholly attributable to Unrestricted Funds.

5. Other Income

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Museums & Galleries Exhibition / Theatre Tax Relief	63,142	-	63,142	-
Other Income	5,050	-	5,050	2,250
Café & Ice Cream Sales	79,356	-	79,356	49,197
Café Franchise & Service Charges	11,960	-	11,960	7,800
	£159,508	**£-**	**£159,508**	**£59,247**

The 2024 total of £59,247 was wholly attributable to Unrestricted Funds.

6. Expenditure on Raising Funds

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Fundraising Consultancy	-	-	-	3,750
	£-	**£-**	**£-**	**£3,750**

The 2024 total of £3,750 was wholly attributable to Unrestricted Funds.

7. Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Cost of Sales				
Advertising, Design & Publicity	37,410	-	37,410	49,190
Box Office Software/Card Charges	33,366	-	33,366	30,728
Exhibition Costs	7,460	1,012	8,472	11,036
Film Costs	3,487	1,305	4,792	7,102
Freelance Fees	11,706	1,370	13,076	12,516
Front Of House Costs	360	-	360	7,434
Performance Fees & Settlements	364,212	-	364,212	233,157
Project & Activity Expenditure	-	114,861	114,861	245,962
Purchases/Stock	36,024	-	36,024	28,471
Salaries & On Costs	382,634	6,375	389,009	319,302
	876,659	**124,923**	**1,001,582**	**944,898**
Support Costs				
Building/Equipment Maintenance	31,765	-	31,765	25,469
Depreciation & Amortisation	58,488	-	58,488	57,472
Heat, Light & Water	76,053	-	76,053	99,137
ICT, Telephone & Website	8,076	-	8,076	33,917
Insurance	13,585	-	13,585	9,390
Other Premises Costs	13,147	-	13,147	7,564
Other Administration & Running Costs	19,820	-	19,820	17,226
	220,934	**-**	**220,934**	**250,175**
Governance Costs				
Accountancy & Audit/Examination	7,605	-	7,605	11,250
Legal & Professional	1,790	11,900	13,690	5,642
Trustee Meeting Costs	309	-	309	21
	9,704	**11,900**	**21,604**	**16,913**
	£1,107,297	**£136,823**	**£1,244,120**	**£1,211,986**

Of the 2024 total of £1,211,986, £986,756 was attributable to Unrestricted Funds and £225,230 to Restricted Funds.

8. Net Income/(Expenditure)

	2025	2024
	£	£
Net income/(expenditure) is stated after charging/(crediting):		
Auditor's Fees	4,500	5,000
Depreciation of owned Fixed Assets	58,488	57,472

9. Staff Costs & Trustees' Remuneration

	2025	2024
	£	£
Gross Salary Costs	355,914	290,954
Employer's National Insurance	19,915	16,368
Employer's Pension Contributions	13,180	11,980
	£389,009	**£319,302**

No employee received remuneration of more than £60,000 during the year (2024 - Nil).

The charity defines Key Management Personnel as the Trustees and the members of the Senior Management Team. Remuneration of £144,750 (2024: £127,398), including employer's pension contributions, was paid by the charity during the year to Key Management Personnel.

The average number of staff employed during the year, calculated as full-time equivalents, was as follows:

	2025	2024
	No.	No.
Artistic Production and Support	16	16

The charity operates a defined benefit pension scheme for all qualifying employees (1 Employee). The scheme is not open for others to join. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Pension benefits for other staff are provided through a NEST Group Personal Pension Scheme, which is a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. The charity makes contributions to this pension scheme and acts as an agent in collecting and paying over both the employee and employer contributions.

9. Staff Costs & Trustees' Remuneration (Cont.)

In the year to 31 March 2025 Queen's Hall Arts made an employer's contribution of 3% of pensionable pay, provided that the employee makes a minimum contribution of 5%.

These amounts are paid over to the scheme on a monthly basis. No contributions were outstanding at 31 March 2025 (2024: £Nil).

The charge to profit and loss in respect of all pension schemes was £13,180 (2024 - £11,980).

No remuneration has been paid to any Trustees/Directors in the year (2024: £Nil).

No reimbursement has been made of any Travel and Subsistence expenses to Trustees in respect of their attendance at meetings of the charity (2024: £Nil).

10. Tangible Fixed Assets

	Leasehold Improvements £	Plant & Machinery £
Cost		
At 1 April 2024	950,583	61,381
Additions	-	7,763
At 31 March 2025	950,583	69,144
Depreciation		
At 1 April 2024	258,818	46,586
Charge for year	32,320	2,420
At 31 March 2025	291,138	49,006
Net Book Value		
At 31 March 2025	**£659,445**	**£20,138**
At 1 April 2024	£691,765	£14,795

	Fixtures & Fittings £	Total Fixed Assets £
Cost		
At 1 April 2024	162,148	1,174,112
Additions	962	8,725
At 31 March 2025	163,110	1,182,837
Depreciation		
At 1 April 2024	137,225	442,629
Charge for year	23,748	58,488
At 31 March 2025	160,973	501,117
Net Book Value		
At 31 March 2025	**£2,137**	**£681,720**
At 1 April 2024	£24,923	£731,483

11. Stock

	2025	2024
	£	£
Finished Goods for Resale	2,977	2,848
	£2,977	**£2,848**

12. Debtors

	2025	2024
	£	£
Trade Debtors	8,121	28,694
Grant Debtors	17,043	57,253
Other Debtors	11,309	12,750
Accrued Income	9,477	10,865
Prepayments	12,717	12,715
	£58,667	**£122,277**

13. Creditors – Amounts Falling Due Within 1 Year

	2025	2024
	£	£
Other Taxes & Social Security Costs	13,237	18,513
Income Received In Advance	13,318	136
Trade Creditors	9,855	43,146
Other Creditors	70,629	54,530
Accruals	64,796	58,402
	£171,835	**£174,727**

14. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total 2025	Total 2024
	£	£	£	£
Fixed Assets	681,720	-	681,720	731,483
Stock	2,977	-	2,977	2,848
Debtors	41,624	17,043	58,667	122,277
Cash at Bank and In Hand	55,345	3,019	58,364	70,768
Creditors – Amounts Due Within 1 Year	(170,388)	(1,447)	(171,835)	(174,727)
	£611,278	**£18,615**	**£629,893**	**£752,649**

15. Analysis of Charitable Funds

	Fund at 1 April 2024 £	Incoming Resources in Year £	Resources Expended in Year £	Fund at 31 March 2025 £
Unrestricted Funds				
Charity General Fund	706,909	1,011,666	(1,107,297)	611,278
	706,909	**1,011,666**	**(1,107,297)**	**611,278**
Restricted Funds				
29th May 1961 Charitable Trust – Roof Repairs	6,000	-	(6,000)	-
Donations – Roof Repairs	1,732	1,653	-	3,385
Donations – Youth Theatre	-	20,000	(20,000)	-
The Prime Fund & Thornton Family Grassroots Fund – Hexham Priory School Project	-	4,000	(4,000)	-
National Foundation for Youth Music - Key Change Project 2025	38,008	9,800	(47,808)	-
National Saturday Club - National Film and Screen Saturday Club	-	5,000	(1,305)	3,695
NCC – Building Survey Contribution	-	5,900	(5,900)	-
NCC – Members' local improvement scheme	-	3,683	(3,683)	-
NTCA – Illuminated Sheep	-	18,757	(18,757)	-
NTCA - Lanterns	-	29,105	(29,105)	-
Scop Arts Trust – Elastic Band Expansion	-	1,800	(240)	1,560
The Future Is Ours Now	-	10,000	(25)	9,975
	45,740	**109,698**	**(136,823)**	**18,615**
Total Funds	**£752,649**	**£1,121,364**	**£(1,244,120)**	**£629,893**

15. **Analysis of Charitable Funds (Cont.)**

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
29th May 1961 Charitable Trust / Donations – Roof Repairs	Towards the cost of roof renovation and repairs
Arts Society – Book Festival Intern	Towards the cost on an intern role to support work on Hexham Book Festival
Community Foundation / Historic England / Ray Wind Fund – Beneath Our Feet	To support artistic activity in schools
Hadrian Trust – Youth Theatre	Towards the costs of youth theatre work
North of Tyne Combined Authority – Lanterns	Towards the costs of a lanterns festival
Northumberland CC / North of Tyne Combined Authority - Illuminated Sheep	To support a county-wide visual art trail
Northumberland CC – Fundraiser	Towards the costs of engaging a freelance fundraiser
Northumberland County Council – Ignite	Towards the costs of the Ignite programme
Northumberland County Council – Members' local improvement scheme	Towards the costs of upgraded lighting
TNC Community Fund - Hexham Pride	Towards the costs of the 2025 Pride event
Youth Music – Key Change	To support a youth-led music festival

16. Related Party Transactions

The charity has a close working relationship with Arts Council England which is a registered charity and has provided significant funding which enables the charity to carry out its charitable objectives. In total, grant funding of £120,321 (2024: £120,231) was recognised from Arts Council England in the year. At 31 March 2025, no sums were owing to Queen's Hall Arts from Arts Council England (31 March 2024: £Nil).

The charity also has a close relationship with Northumberland County Council (NCC) which provides essential core funding to the charity, as well as occasional project-based funding. In addition, the Queen's Hall, where the bulk of the charity's activities take place, is leased from NCC at a peppercorn rent whilst the charity operates sub-leases at the Queen's Hall to NCC Customer Services.

Ongoing NCC funding is subject to annual reviews and agreements on performance targets.

In total, grant funding of £143,645 (2024: £187,683) was recognised from NCC in the year. At 31 March 2025, £12,184 was owing to Queen's Hall Arts from NCC (31 March 2024: £57,252).

Two trustees received payment for work undertaken (unrelated to their trusteeship) amounting to £4,769 this year.

There were no other transactions in the year with related parties, such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (Effective April 2008) (2024: Nil).

17. Taxation

The company is a registered charity and no provision is considered necessary for taxation.

18. Financial Commitments

No material financial commitments have been made in respect of future financial periods.

19. Company Limited by Guarantee

The charity is incorporated under the Companies Act 1985 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.

There are currently 10 members of the company (2024 - 11 members).

QUEENS HALL ARTS

England & Wales - Charity number 1088975

Accounts

Company Registration Number 03929839

Registered Charity Number 1088975

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)

REPORT AND ACCOUNTS
For the year ending 31 March 2024

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Queen's Hall Arts Limited
Charity registration number	1088975
Company registration number	03929839
Registered office	Queens Hall Arts Centre, Beaumont Street, Hexham, Northumberland, NE46 3LS

Trustees

For the purposes of the Companies Act 2006, the Board of Trustees is the Board of Directors of the charitable company and is referred to as the Trustees throughout this report.

The Trustees of Queen's Hall Arts during the period and to the date of signing this report are as follows:

Rachel Adam	Retired as Chair 31 December 2023
Jessica Armstrong	
Simon Beckwith	
Susan Bubic	Appointed on 1 June 2024
Dr Suzanne Fairless-Aitken	
Carly Foster	Appointed on 1 June 2024
Philip Garner	Resigned 7 June 2023
Ceri Gibson	Appointed on 1 June 2024
Hannah Jameson-Clarke	Resigned 25 September 2023
Addison Keen	
Angeline Lucas	
Garry Lyons	
Dr Anthony Newton	Resigned 21 September 2024
Kathryn Nicholson	Resigned 27 February 2024
Lynn Turner	Appointed Chair 1 January 2024

Company Secretary	Katy Taylor
Auditors	Cocke, Vellacott & Hill, Chartered Accountants, Unit 15 City Business Centre, Lower Road, London, SE16 2XB
Bankers	Barclays Bank Plc, Priestpopple, Hexham, Northumberland NE46 1PE
Solicitors	Nicholson Portnell, Priestpopple House, Hexham, Northumberland NE46 1PL

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2024

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Queen's Hall Arts is a charitable company limited by guarantee, incorporated on 21 February 2000 and registered as a charity on 19 October 2001 (hereafter referred to as the charity).

The charity is controlled by its governing document, its Memorandum & Articles of Association, as amended by Special Resolutions dated August 2001 and 20 May 2009 and constitutes a limited company, limited by guarantee, as defined by the Companies Act.

The Directors of the company are also Trustees of the charity. Eligibility for membership of the charity, and membership of the Board of Trustees, is governed by the Articles of Association. There are no restrictions in the governing document on the operation of the charity other than those imposed by general charity law.

Structure and Governance

The Board of Directors, which can have between 5 -12 members, administers the charity.

1 Member is nominated by Northumberland County Council (NCC) with between 4 and 11 Members elected by resolution in a General Meeting and/or co-opted at a meeting of the Board.

The charity currently has a Board of 11 non-executive Trustees.

The Board meets approximately every 3 months and there are committees covering Finance & Risk, Operations and External Relations which meet regularly. Additionally, there are working groups which act in an advisory capacity.

A Chief Executive, the Artistic Director, is appointed by the Trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Artistic Director has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and artistic programme.

The charity has a close relationship with Northumberland County Council and Arts Council England. These two bodies provide essential core funding to the company. Ongoing funding is subject to annual reviews and agreements on performance targets.

The Queen's Hall, where the bulk of the company's activities take place, is leased from Northumberland County Council, at a peppercorn rent.

The company operates sub-leases at the Queen's Hall to:

- Customer Services, Northumberland CC.
- cafe operators, which under the terms of its lease is required to provide agreed levels of service to arts centre users (in addition to its independent commercial operations).
- small start-up companies in the Creative Spaces area.

There is no structural connection between the charity and these companies.

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Recruitment and Appointment of Board of Trustees

The recruitment of new members is periodically undertaken by the Board, which follows an open and fair recruitment process taking due account of the skills needed by the company and the desire for its membership to reflect the diversity of the local population.

Nominees appointed by the Local Authority are subject to the appointment processes of this body and the guidelines on appointment to public office as they apply to local government nominees.

Trustee Induction and Training

New Trustees are inducted by the Chair and Artistic Director and are provided with a range of resources to support their understanding of Queen's Hall Arts' activities. Trustee training is delivered either through external advisors or charity members of staff.

Reserves Policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission, having reviewed the risks facing the organisation, seeking to maintain a level of reserves which enables the charity to operate effectively with financial stability and the means to fulfil its charitable purpose.

The Trustees aim to hold a level of Unrestricted Funds which enables the charity to have sufficient working capital to continue to operate and also reflects the risks associated with shortfalls in funding, especially withdrawal of support from existing funders. If alternative sources of funding were not forthcoming, then this amount would provide the means for Queen's Hall Arts to settle any outstanding contracts and close the company in an orderly manner.

The Trustees anticipate the free Unrestricted Funds needed to fulfil these criteria as £60,000 as a minimum. The Trustees then aspire to retain an additional allowance of £20,000 as a further contingency and to enable the charity to respond flexibly to issues or appropriate initiatives which might be identified outside of its annual budgeting process.

The target level of free Unrestricted Funds is therefore in the range of £60,000 to £80,000.

The charity's total Unrestricted Funds at 31 March 2024 are £706,909.

Free Reserves, defined as non-designated Unrestricted Funds minus the value of Unrestricted Tangible Fixed Assets of £731,483, are therefore £(24,574) and therefore fall below the target range.

The Trustees aim, through their budgeting processes, to restore Free Reserves to within the target range within 5 years.

The Board regularly reviews the level of reserves that are required to ensure that they are adequate to fulfil our continuing obligations and to allow the organisation to fulfil its charitable purpose.

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Grant Making Policy

The charity does not currently engage in grant-making activity, other than the occasional award of small bursaries.

The Contribution of Volunteers

The charity normally works with approximately 25 volunteers per year.

OBJECTIVES AND ACTIVITIES

Charitable Purpose

The Objects of the charity are to advance public education and appreciation in the arts in all their forms, particularly but not exclusively, for the benefit of the people in the countries of Northumberland, Cumbria, Tyne and Wear and Durham through the provision, maintenance and management of Queen's Hall Arts Centre, Hexham and by any other charitable means that the trustees may from time to time think fit.

Mission & Vision

In 2016 a new mission statement was agreed by the Trustees. This informed delivery subsequently provided the structure for successful medium-term funding bids to Arts Council England and Northumberland County Council.

OUR MISSION is to be the creative heart of the community delivering great arts experiences and supporting professional and aspiring artists.

THE CREATIVE HEART OF THE COMMUNITY
a. A welcoming and stimulating environment for all to experience a broad range of arts activities.
b. Theatre, studio and gallery spaces and other resources at the Queen's Hall Arts Centre for the presentation of work to the highest possible standard.
c. A focal point for cultural organisations where links and partnerships can be developed.
d. Engagement with the full diversity of our community.
e. Resources that can be easily accessed by a large rural catchment.

GREAT ARTS EXPERIENCES
f. A range of shows, exhibitions and other events that are both entertaining and stimulating.
g. High quality touring work from across the country (and beyond) that reflects the diversity and range of contemporary arts interests in Britain.
h. In-house and commissioned work that is informed by a relationship with the community.
i. Participatory activities that are fulfilling and develop skills.
j. Great events and other activities across West Northumberland (and beyond).

OBJECTIVES AND ACTIVITIES (CONTINUED)

Mission & Vision (Cont.)

SUPPORTING PROFESSIONAL AND ASPIRING ARTISTS

k. Commissions, productions & co-productions.
l. Residencies.
m. Mentoring and other long-term support.
n. Training and skills development opportunities.
o. A high proportion of our work with and for young people.
p. Technical and organisational support for artists opening new productions.
q. Networking, collaborating and taking part in partnership initiatives.
r. Programming new and challenging work.
s. Contributing to a viable arts ecology, regionally and nationally.

Queen's Hall Arts' vision statement is to "develop high quality arts provision at the Queen's Hall Arts Centre that will enrich and serve local and outreached communities, developing a creative future for all".

Public Benefit

The Trustees understand and have discussed the implications of the provisions of the Charities Act 2006, which state that all charities must demonstrate that they are established for public benefit, and have had due regard to the public benefit guidance issued by the Charity Commission. The Trustees believe that the charity meets both of the key principles.

Principle 1 – There must be an identifiable benefit, or benefits

Queen's Hall Arts is committed to the educational and social advancements that benefit from its activities and to making those activities as accessible as possible. We provide year-round participatory activities both in community and educational settings.

The artistic programme at the arts centre includes a range of events which reflect a wide variety of local interests, creating opportunities for audiences and performers. Our ticket pricing policy includes discounts to students, and those on low incomes. Exhibitions in the gallery are free. We provide and subsidise outreached events to small communities across a large part of Northumberland.

Principle 2 - Benefit must be to the public, or a section of the public

Queen's Hall Arts' work is available to all members of the public.

Risk Management

The Trustees will continue to conduct an annual risk management review and put in place any required plans or procedures.

As licensed premises the Queen's Hall is subject to regular inspection from statutory and other regulatory bodies to ensure compliance and good practice in a number of areas including health and safety, environmental health, and management of performing rights.

Financial reports are produced by management on a quarterly basis and presented to board meetings. These reports are also subject to scrutiny by the Finance and Risk Committee.

OBJECTIVES AND ACTIVITIES (CONTINUED)

Risk Management (Cont.)

The Trustees consider the key risks facing the charity at this time and the mitigating actions taken to be as follows:

Workload of core staff and freelance team becomes unmanageable:

- Month check-ins in place to identify any workload issues at early stage and implement mitigating actions.
- Annual activity of company mapped out to understand any potential 'pinch-points' and additional resource/staffing built into project budgets and arranged as required.
- Realistic time frames built into all projects
- Health and wellbeing of team prioritised to ensure a positive and supporting working culture.

Not achieving audience targets:

- Focus on regional touring and strong audience development work with local audiences and community partners.
- Developing a robust marketing plan for the organisation and for every project. Sales reports are monitored and acted on in good time if not at target.
- Projected income from tickets sales reflects the current financial climate.

Long-term absence of Director, other Senior Management or Trustees due to resignation or illness:

- Development of Senior Management Team supports absences.
- Increasing the number of Trustees improves resilience and Trustee succession planning, as well as providing consistently.

Not achieving income targets (trusts and foundations, earned income, individual giving):

- Uncertainty around long-term impact on Trusts and Foundations funding mitigated through building relationships with existing funders, and making applications to new funders, to build on previous fundraising success.
- Opportunities to diversity income further are currently being explored through consideration of increased individual giving and sponsorship opportunities.

Increased footfall in the venue will increase maintenance costs:

- Monitored by the Senior Management Team and reported to the Operations Sub-Committee.
- Expansion of venue levy added to key performances to support additional costs
- A more confident strategy of ticket pricing for commercial and touring work
- Clear donation messaging within the building to encourage donations
- Strategic programming of early-years shows in the studio space as first experiences for nurseries and families

Cost of Living crisis impacts operations:

- Increases to salaries and freelance rates of pay have been accounted for in 2024-25 budget.
- Projects realistically budgeted and contingencies increased and utilised as required.
- Regular financial monitoring by Senior Management Team and Finance and Risk Committee.

Compliance with legislation/regulations appropriate to the activities, size and structure of the charity:

- Balanced Board including experienced Trustees, an annual Board calendar with applicable requirements noted, responsibilities assigned and monitored.

OBJECTIVES AND ACTIVITIES (CONTINUED)

Risk Management (Cont.)

The Trustees also manage the general financial risks arising by ensuring that:

- Prudent budgets have been set for the next financial year
- The charity maintains a prudent, low-cost operating base
- Regular management accounts are provided, showing the performance against budget
- Contingency plans are in place should income levels appear unlikely to reach targets
- Reserves policies have been adopted which provide an appropriate level of uncommitted reserves which will enable the charity to meet its liabilities.

ACHIEVEMENTS AND PERFORMANCE

Facing Forward: A Year of Growth, Connection, and Creative Resilience

In 2023/24, Queen's Hall Arts (QHA) once again demonstrated the power of adaptability and our commitment to the community amid economic and social challenges. The work of QHA is driven by our mission to:

- Be the creative heart of the community
- Enable great art experiences
- Support professional and aspiring artists

This annual report highlights our progress, innovations and partnerships that continue to shape QHA as a cultural cornerstone in the Tyne Valley and beyond. From expanding audience engagement to solidifying strategic partnerships, our journey this year underscores our dedication to inclusivity, regional collaboration, and meaningful community impact.

Summary of Major Achievements
Over the past year, we have broadened our reach and reinforced our commitment to the North East's creative landscape. Through dynamic performances, exhibitions and transformative educational initiatives, our programming and partnership activities reflect our ambition to nurture accessibility and engagement with cultural experiences. In 2023/24, QHA welcomed over 92,000 visits across 788 performances, workshops, and exhibitions, cementing our role as a vibrant creative hub for Hexham and the wider Northumberland community. We supported more than 30 freelancers, ensuring local creative professionals have opportunities to thrive in a professional environment. In October 2024 we celebrated our 40th Anniversary as an organisation and chose to mark this with a rebrand, as well as a cake!

Expanding Our Reach and Community Engagement
This year, we continued to build on the momentum generated by community-focused projects, such as the Hexham Cultural Network and regional partnerships, which allowed us to amplify our work beyond Hexham. Through initiatives like Key Change and Hexham Pride, we engaged with a diverse range of audiences, particularly youth and underrepresented groups.
We also invested in our exhibition programme, showcasing local and regional artists, with a mix of established and early career artists, while the introduction of regular jazz programming diversified our offerings further.

Showcasing the Arts and Our Region
In 2023/24, QHA received notable media recognition, with coverage from outlets including BBC, Newcastle Chronicle, Metro Radio, and Tyne Tees. This exposure amplifies our impact within the North East arts community and connects us with broader audiences who share our commitment to

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of main achievements of the charity during the year (Cont.)

cultural expression and regional pride. Through sustained and impactful coverage, we reinforce QHA's position as a regional leader in the arts, sharing our story—and the stories of the North East—with a wider audience.

Key Project Highlights of 2023/24

New Projects & Continued Successes
Over the past year, Queen's Hall Arts (QHA) has achieved significant milestones across various projects, reinforcing our commitment to community engagement and artistic excellence.

Illuminated Sheep: Our flagship visual arts project was featured in The Alnwick Garden's Winter Trail, drawing an impressive 48,500 visitors. This success highlights our programme's appeal and our role in enhancing cultural vibrancy in the region.

Collaborative Productions: In collaboration with Alnwick Playhouse and The Alnwick Gardens, we remounted Wind in the Willows in a new, purpose-built theatre space at the Gardens.

Hexham Pride: A Community Celebration: The inaugural Hexham Pride was a remarkable achievement, funded by the Hexham High Street Heritage Action Zone Cultural Programme and the National Lottery. Our programming included an inclusive folk music gig, a young people's takeover, and a work-in-progress sharing. The week-long celebration in early June surpassed expectations, fostering inclusivity and community spirit through events like a parade, park run, and rainbow planting.

Beneath Our Feet: This arts and heritage project, involving 12 schools from the Haydon Bridge Partnership, has allowed pupils to explore their local history through the lens of heavy industry, resulting in powerful artworks that tell their communities' stories. The final exhibition at QHA attracted over 5,000 visitors, with positive feedback highlighting the project's impact on local pride and historical understanding. *"Our pupils have taken so much away from the project, both personally and academically."* Lee Ferris, Headteacher at Kielder Primary School.

Key Change Youth Music Project: Funded by Youth Music, the Key Change project empowered young people from West Northumberland to plan and deliver their own music festival, Find Festival. With over 2,000 visitors, the event showcased the capabilities and creativity of the young people. "It's a good opportunity to show adults that kids can take responsibility and create something for everyone to enjoy." Hannah, Queen Elizabeth High School student "I can't believe Hexham pulled this off! It looked good on publicity but was even better!"

Hexham Lantern Parade: For the third consecutive year, QHA successfully managed and found funding for the Hexham Lantern Parade. Community workshops enabled participants to create lanterns, nurturing a sense of achievement and pride among young creators. The event was a joyful celebration of creativity and collaboration. "*I had a great time - what a happy place we live in.*"

Queen's Hall Youth Theatre Ensemble: Our Youth Theatre continues to flourish, providing an inclusive and collaborative space for young people to express themselves. Leaders observed remarkable progress in participants' confidence, culminating in a performance featuring all members

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of main achievements of the charity during the year (Cont.)

on our main stage. Feedback from parents and participants underscores the transformative impact of the youth theatre experience.

Community Engagement and Educational Visits: QHA welcomed numerous schools and nurseries, with performances and exhibitions like The Tiger Who Came to Tea. These visits sparked creativity and curiosity, with positive feedback reflecting the experiences of children and teachers alike.
"*It was really good seeing how they control the lights on stage, I didn't know they had that many controls in one room!" "It was messy and fun making the lanterns, I felt proud of the lantern that I made" "It was funny seeing the actors practising their lines, I loved the expressions on their faces" We look forward to organising further events in partnership with the Queen's Hall in the near future.* " Year 4 children, St. Mary's R.C. First School

Christmas Productions and Events: In collaboration with Alnwick Playhouse, we staged Snow White, which saw increased ticket sales and audience engagement. We widened our whole Christmas programming to cater to a diverse audience, culminating in sold-out performances, including two shows by The Unthanks at Hexham Abbey
"*Snow White was brilliant this evening! Genuinely one of the best pantos we have been to*!"

"*Funny and charming.*" North East Theatre Guide

"*We giggled, booed and cheered our way through this performance of Snow White and were in awe of the singing, acting and comic-timing*!" Hallbankgate Village School

Addressing Economic Pressures and Sustaining Resilience
Throughout 2023/24, Queen's Hall Arts faced the realities of rising costs and evolving audience expectations with proactive strategies aimed at maintaining accessibility and financial sustainability. We began to turn around our finances through initiatives such as "pay ahead" for Christmas performances and strategic cost-saving measures. These efforts, supported by diversified programming, helped us navigate financial pressures while prioritising our mission.

Fostering Long-Term Sustainability and Innovation
To bolster our resilience, we implemented several organisational and financial strategies:

- **Enhanced Staffing Structure:** Our Senior Management Team now leads efforts to optimise delivery and expand funding channels.
- **Expanded Revenue Streams:** Increasing bar, retail, and private hire income has supported our operational budget while enhancing visitor experience.
- **Governance Strengthening:** Strategic board recruitment has enriched our leadership with diverse expertise and a shared commitment, aligning our mission with sustainable, future-focused growth.

Looking Ahead
As we reflect on this transformative year, we look forward to continuing our journey, guided by an unwavering commitment to our community and a vision for an inclusive, accessible arts landscape.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of main achievements of the charity during the year (Cont.)

Our focus on community partnerships, audience engagement, and artistic innovation will remain central to our development as we work to deepen our cultural impact and strengthen Queen's Hall Arts for the future.

We are also committed to documenting our wellbeing impacts and the economic benefits our work brings to the region, positioning QHA as a leading cultural organisation in the North East.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Financial Review

The out-turn for the year is an unrestricted deficit of £(101,800) (2023: Deficit £166,739). The deficit will be deducted from Unrestricted Funds, leaving a balance on Unrestricted Funds at 31 March 2024 of £706,909.

The financial landscape in 2023/24 continues to pose significant challenges for Queen's Hall Arts. International uncertainty and the ongoing cost-of-living crisis have introduced new levels of unpredictability, requiring us to continuously adapt and recalibrate our financial strategies. Rising energy prices remain a major strain, significantly impacting operational costs, while the necessary maintenance expenses continue to grow with the increased costs from suppliers.

However, despite these financial pressures, we continue to see growing audiences and increased ticket sales, demonstrating the community's strong support for our work. This resilience reinforces our commitment to navigating these challenges while delivering valuable arts and cultural experiences to our communities.

PLANS FOR THE FUTURE

What are the ambitions and challenges for the next 12 months?

Led by our mission to be the creative heart of the community, enabling great art experiences and supporting professional and aspiring artists, the main focus of the organisation for 2024/25 will be to:

- Expand our audiences to include a wider demographic and measure the geographic spread of our audiences.
- Work in partnership with a community steering group to deliver Hexham Pride.
- Create a new partnership with Dance City to pilot dance activity to over 55s.
- Further widen our income streams through our bar and retail offer.
- Relaunch our Friend's scheme and expand the number of membership options.
- Reduce our energy consumption with improvements to our heating and hot water systems
- Continue to strengthen environmental thinking and share our strategy with cultural sector in Hexham.

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2024

RESPONSIBILITIES OF THE TRUSTEES

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitay for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

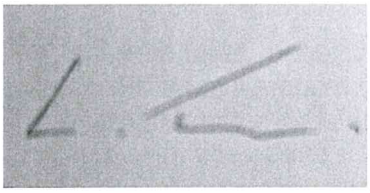
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the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

Audit Enquiries

As far as Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware. Each of the Trustees has taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of such information.

Auditors

Cocke, Vellacott & Hill were appointed as auditors during the year.



Signed on behalf of the Trustees

Lynn Turner
Trustee
Company Registration Number 03929839

27 November 2024

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
AUDITORS' REPORT
For the year ended 31 March 2024

Opinion

We have audited the financial statements of Queen's Hall Arts for the year ended 31 December 2023 which comprise the statement of financial activities, summary income and expenditure, balance sheet, statement of cash flows and notes to the financial statements including a summary of significant accounting policies. The financial framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023, and of its incoming resources and application of resources 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 Charities Act 2011.

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 charity 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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Other matter

This is the first year in which this charity has had to have an audit in accordance with statute. The comparative figures in these financial statements have not been audited.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10 the trustees (who are also directors of the charity 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 directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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 have obtained an understanding of the charity's policies and procedures through discussions with senior management.

We also drew on our existing understanding of the work that the charity does and reviewed available third party information about the charity.

We understand that the charity complies with its responsibilities through close involvement of the CEO in the day to day running of the business and regular liaison between him and the Chair of trustees. Were there any litigation or claims they would come to the attention of the CEO directly.

The charity also holds quarterly board meetings and quarterly Finance and Risk Committee meetings at which all such matters are discussed. Financial and governance matters are discussed in detail along with attendance trends and future strategy. We have reviewed the minutes of all board meetings, and no irregularities were identified.

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 charity's ability to conduct business and where failure to comply could result in material penalties.

We have considered the disclosure requirements of the Charities Act 2011, along with the Charities SORP FRS102 and the Charities (Accounts and Reports) Regulations 2008 as part of our finalisation processes.

We discussed the possibility of fraud with senior management and whether they had any knowledge of any actual, alleged or suspected fraud. We designed our audit tests to cover all areas of activity at the centre.

In common with all audits under ISAs (UK) we also performed specific procedures to respond to the risk of management override. We assessed that the charity's control environment is adequate for the size and operating model of such a charity.

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 charity's members, as a body, in accordance part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Cocke, Vellacott & Hill

COCKE, VELLACOTT & HILL
Chartered Accountants and Statutory Auditor
Unit 15 City Business Centre
Lower Road
LONDON SE16 2XB

Date: 27 November 2024

Cocke, Vellacott & Hill is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act.

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Income					
Income from Investments	2	1,120	-	1,120	200
Income from Grants, Donations & Legacies	3	247,479	165,045	412,524	460,116
Income from Charitable Activities	4	580,860	-	580,860	420,299
Other Income	5	59,247	-	59,247	9,031
Total Income		**888,706**	**165,045**	**1,053,751**	**889,646**
Expenditure					
Cost of Raising Funds	6	3,750	-	3,750	1,250
Expenditure on Charitable Activities	7	986,756	225,230	1,211,986	1,038,110
Total Expenditure		**990,506**	**225,230**	**1,215,736**	**1,039,360**
Net Income/(Expenditure)		**(101,800)**	**(60,185)**	**(161,985)**	**(149,714)**
Balance brought forward at 1 April		808,709	105,925	914,634	1,064,348
Balance carried forward at 31 March		**£706,909**	**£45,740**	**£752,649**	**£914,634**

The notes on pages 19 to 31 form part of the financial statements.

All of the activities of the company are classed as continuing.

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION/BALANCE SHEET
AS AT 31 MARCH 2024

	Notes	2024 £	2023 £
Fixed Assets			
Tangible Fixed Assets	10	731,483	769,685
Current Assets			
Stocks	11	2,848	2,500
Debtors	12	122,277	86,982
Cash At Bank & In Hand		70,768	249,541
		195,893	339,023
Creditors – Amounts Falling Due Within 1 Year	13	(174,727)	(194,074)
Net Current Assets/(Liabilities)		21,166	144,949
Total Net Assets	14	**£752,649**	**£914,634**
Represented by:			
Unrestricted Funds	15	706,909	808,709
Restricted Funds	15	45,740	105,925
		£752,649	**£914,634**

The notes on pages 19 to 31 form part of the financial statements.

The Trustees are satisfied that for the year ended 31 March 2024 the charity was entitled to exemption under section 477(2) of the Companies Act 2006.

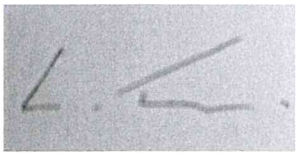
The Trustees also confirm that the Members have not required the charity to obtain an audit in accordance with section 476 of the Companies Act 2006

The Trustees acknowledge their responsibilities for:

(i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved and signed by a Member of the Board of Trustees on 27 November 2024.



Lynn Turner
Trustee
Company Registration Number 03929839

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting Policies

Basis of Accounting
These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 and the Statement of Recommended Practice (Charities SORP FRS 102) "Accounting and Reporting by Charities" and the Charities Act 2011.

The financial statements have been prepared on the historical cost basis, modified to include certain financial instruments at fair value.

Advantage has been taken of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cashflows.

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

Taxation Status
Queen's Hall Arts Limited is a Charity registered under the 1960 Charities Act and is accorded exemption from liability to taxation on its income under S505 Income and Corporation Taxes Act 1988.

Going Concern
There are no material uncertainties about the charity's ability to continue.

Income
All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy.

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

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.
- Other income is accounted for when receivable.

1. Accounting Policies (Continued)

Operating Leases
The charity classifies the lease of certain types of equipment as operating leases as the title to the equipment remains with the lessor. Rental charges are charged against income on a straight-line basis over the period of the lease.

Tangible Fixed Assets and Depreciation
Depreciation is provided on any fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

Motor Vehicles	- 25% straight line on cost
Plant & Machinery	- 10% straight line on cost
Fixtures & Fittings	- 25% straight line on cost
Long Leasehold	- 10% straight line on cost
Property Improvements	- 10% straight line on cost

A full year's depreciation charge is applied in the year of acquisition and no charge is made in the year of disposal.

Impairment of Fixed Assets
A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial Instruments
A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost where there is a material adjustment.

Fund Accounting
Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

1. Accounting Policies (Continued)

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

Judgements and Key Sources of Estimation Uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no significant judgements or estimation uncertainty included within the financial statements.

Pensions
The charity operates a defined benefit pension scheme for 1 qualifying employee. The scheme is not open for others to join. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Pension benefits for other staff are provided through a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. The charity makes contributions to this pension scheme and acts as an agent in collecting and paying over both the employee and employer contributions.

For both schemes, the charity makes contributions to this pension scheme and acts as an agent in collecting and paying over both the employee and employer contributions, whilst the amount charged to the Statement of Financial Activities for pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

Legal Status
The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company law members of the charity are the members of its Board of Trustees.

2. Income from Investments

	Unrestricted Funds	Restricted Funds	2024	2023
	£	£	£	£
Interest Receivable	1,120	-	1,120	200
	£1,120	**£-**	**£1,120**	**£200**

The 2023 total of £200 was wholly attributable to Unrestricted Funds.

3. Income from Grants, Donations & Legacies

	Unrestricted Funds £	Restricted Funds £	2024 £	2023 £
Arts Council England (ACE) – National Portfolio Organisation	120,321	-	120,321	120,321
ACE – Small-Scale Capital	-	-	-	(30,081)
ACE – Cultural Recovery Fund	-	-	-	21,529
ACE – Cultural Capital Kickstart	-	-	-	3,065
Arts Society – Book Festival Intern	-	3,000	3,000	-
Community Foundation – Tynedale Community Choir	-	-	-	2,780
29th May 1961 Charitable Trust – Roof Repairs	-	6,000	6,000	-
Smith (Haltwhistle and District) Charitable Trust	600	-	600	-
Hadrian Trust – Youth Theatre	-	1,000	1,000	-
Historic England – Beneath Our Feet	-	1,750	1,750	9,850
National Foundation for Youth Music - Key Change Project 2023	-	43,120	43,120	-
National Foundation for Youth Music - Key Change Project 2024	-	40,768	40,768	-
Northumberland County Council (NCC)	120,008	-	120,008	5,000
NCC – Hexham High Street Heritage Action Zone	-	-	-	7,000
NCC - Ignite	-	2,253	2,253	77,748
NCC – Illuminated Sheep	-	-	-	45,000
NCC - Platinum Jubilee Event/Beacons	-	-	-	74,811
NCC - Revenue	-	-	-	95,777
NTCA – Illuminated Sheep	-	36,244	36,244	-
NTCA - Lanterns	-	29,178	29,178	-
Ray Wind Fund – Beneath Our Feet	-	-	-	6,000
TNC Community Fund - Hexham Pride	-	-	-	8,500
UNESCO - Ukrainian Artists in danger	-	-	-	5,322
	240,929	**163,313**	**404,242**	**452,622**
Donations	6,550	1,732	8,282	7,494
	£247,479	**£165,045**	**£412,524**	**£460,116**

Of the 2023 total of £460,116, £244,721 was attributable to Unrestricted Funds and £215,395 to Restricted Funds.

4. Income from Charitable Activities

	Unrestricted Funds	Restricted Funds	2024	2023
	£	£	£	£
Ticket Sales & Commission	414,004	-	414,004	265,459
Theatre/Room Hire & Library Service Charges	140,440	-	140,440	75,225
Front Of House Sales & Commission	8,854	-	8,854	8,021
Recharge Income	17,562	-	17,562	71,594
	£580,860	**£-**	**£580,860**	**£420,299**

The 2023 total of £420,299 was wholly attributable to Unrestricted Funds.

5. Other Income

	Unrestricted Funds	Restricted Funds	2024	2023
	£	£	£	£
Museums & Galleries Exhibition Tax Relief	-	-	-	(7,813)
Other Income	2,250	-	2,250	165
Café & Ice Cream Sales	49,197	-	49,197	8,879
Café Franchise & Service Charges	7,800	-	7,800	7,800
	£59,247	**£-**	**£59,247**	**£9,031**

The 2023 total of £9,031 was wholly attributable to Unrestricted Funds.

6. Expenditure on Raising Funds

	Unrestricted Funds	Restricted Funds	2024	2023
	£	£	£	£
Fundraising Consultancy	3,750	-	3,750	1,250
	£3,750	**£-**	**£3,750**	**£1,250**

The 2023 total of £1,250 was wholly attributable to Restricted Funds.

7. Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Cost of Sales				
Advertising, Design & Publicity	49,190	-	49,190	17,879
Box Office Software/Card Charges	30,728	-	30,728	24,770
Exhibition Costs	11,036	-	11,036	4,199
Film Costs	7,102	-	7,102	5,604
Freelance Fees	12,516	-	12,516	45,758
Front Of House Costs	7,434	-	7,434	7,854
Performance Fees & Settlements	233,157	-	233,157	165,665
Project & Activity Expenditure	23,732	222,230	245,962	305,311
Purchases/Stock	28,471	-	28,471	4,478
Salaries & On Costs	316,302	3,000	319,302	253,650
	719,668	**225,230**	**944,898**	**835,168**
Support Costs				
Building/Equipment Maintenance	25,469	-	25,469	42,425
Depreciation & Amortisation	57,472	-	57,472	59,382
Heat, Light & Water	99,137	-	99,137	57,741
ICT, Telephone & Website	33,917	-	33,917	8,918
Insurance	9,390	-	9,390	2,476
Other Premises Costs	7,564	-	7,564	8,606
Other Administration & Running Costs	17,226	-	17,226	18,882
	250,175	**-**	**250,175**	**198,430**
Governance Costs				
Accountancy & Audit/Examination	11,250	-	11,250	4,512
Legal & Professional	5,642	-	5,642	-
Trustee Meeting Costs	21	-	21	-
	16,913	**-**	**16,913**	**4,512**
	£986,756	**£225,230**	**£1,211,986**	**£1,038,110**

Of the 2023 total of £1,038,110, £840,990 was attributable to Unrestricted Funds and £197,120 to Restricted Funds.

8. Net Income/(Expenditure)

	2024 £	2023 £
Net income/(expenditure) is stated after charging/(crediting):		
Auditor's Fees	5,000	-
Independent Examiner's Fees	-	1,500
Independent Examiner – Other Services	-	600
Depreciation of owned Fixed Assets	57,472	59,382

9. Staff Costs & Trustees' Remuneration

	2024 £	2023 £
Gross Salary Costs	290,954	226,721
Employer's National Insurance	16,368	12,501
Employer's Pension Contributions	11,980	14,428
	£319,302	**£253,650**

No employee received remuneration of more than £60,000 during the year (2023 - Nil).

The charity defines Key Management Personnel as the Trustees and the members of the Senior Management Team. Remuneration of £127,398 (2023: £102,504), including employer's pension contributions, was paid by the charity during the year to Key Management Personnel.

The average number of staff employed during the year, calculated as full-time equivalents, was as follows:	2024 No.	2023 No.
Artistic Production and Support	16	13

The charity operates a defined benefit pension scheme for all qualifying employees (1 Employee). The scheme is not open for others to join. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Pension benefits for other staff are provided through a NEST Group Personal Pension Scheme, which is a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. The charity makes contributions to this pension scheme and acts as an agent in collecting and paying over both the employee and employer contributions.

9. Staff Costs & Trustees' Remuneration (Cont.)

In the year to 31 March 2024 Queen's Hall Arts made an employer's contribution of 3% of pensionable pay, provided that the employee makes a minimum contribution of 5%.

These amounts are paid over to the scheme on a monthly basis. No contributions were outstanding at 31 March 2024 (2023: £Nil).

The charge to profit and loss in respect of all pension schemes was £11,980 (2023 - £14,428).

No remuneration has been paid to any Trustees/Directors in the year (2023: £Nil).

No reimbursement has been made of any Travel and Subsistence expenses to Trustees in respect of their attendance at meetings of the charity (2023: £Nil).

10. Tangible Fixed Assets

	Leasehold Improvements	Plant & Machinery
Cost	**£**	**£**
At 1 April 2023	950,583	44,942
Additions	-	16,439
At 31 March 2024	950,583	61,381
Depreciation		
At 1 April 2023	226,498	44,942
Charge for year	32,320	1,644
At 31 March 2024	258,818	46,586
Net Book Value		
At 31 March 2024	**£691,765**	**£14,795**
At 1 April 2023	£724,085	£-

	Fixtures & Fittings	Total Fixed Assets
Cost	**£**	**£**
At 1 April 2023	159,317	1,154,842
Additions	2,831	19,270
At 31 March 2024	162,148	1,174,112
Depreciation		
At 1 April 2023	113,717	385,157
Charge for year	23,508	57,472
At 31 March 2024	137,225	442,629
Net Book Value		
At 31 March 2024	**£24,923**	**£731,483**
At 1 April 2023	£45,600	£769,685

11. Stock

	2024	2023
	£	£
Finished Goods for Resale	2,848	2,500
	£2,848	**£2,500**

12. Debtors

	2024	2023
	£	£
Trade Debtors	28,694	9,671
Grant Debtors	57,253	51,600
Other Debtors	12,750	7,426
Accrued Income	10,865	8,187
Prepayments	12,715	10,098
	£122,277	**£86,982**

13. Creditors – Amounts Falling Due Within 1 Year

	2024	2023
	£	£
Other Taxes & Social Security Costs	18,513	10,576
Income Received In Advance	136	-
Trade Creditors	43,146	9,984
Other Creditors	54,530	58,587
Accruals	58,402	114,927
	£174,727	**£194,074**

14. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
Fixed Assets	731,483	-	731,483	769,685
Stock	2,848	-	2,848	2,500
Debtors	65,024	57,253	122,277	86,982
Cash at Bank and In Hand	82,281	(11,513)	70,768	249,541
Creditors – Amounts Due Within 1 Year	(174,727)	-	(174,727)	(194,074)
	£706,909	**£45,740**	**£752,649**	**£914,634**

15. Analysis of Charitable Funds

	Fund at 1 April 2023 £	Incoming Resources in Year £	Resources Expended in Year £	Fund at 31 March 2024 £
Unrestricted Funds				
Charity General Fund	808,709	888,706	(990,506)	706,909
	808,709	**888,706**	**(990,506)**	**706,909**
Restricted Funds				
29th May 1961 Charitable Trust – Roof Repairs	-	6,000	-	6,000
Arts Society – Book Festival Intern	-	3,000	(3,000)	-
Community Foundation – Beneath Our Feet	7,486	-	(7,486)	-
Donations – Roof Repairs	-	1,732	-	1,732
Hadrian Trust – Youth Theatre	-	1,000	(1,000)	-
Historic England – Beneath Our Feet	9,850	1,750	(11,600)	-
National Foundation for Youth Music - Key Change Project 2023	-	43,120	(43,120)	-
National Foundation for Youth Music - Key Change Project 2024	-	40,768	(2,760)	38,008
Northumberland County Council - Fundraiser	3,750	-	(3,750)	-
Northumberland County Council - Ignite	29,046	2,253	(31,299)	-
NTCA – Illuminated Sheep	-	36,244	(36,244)	-
NTCA - Lanterns	-	29,178	(29,178)	-
Ray Wind Fund – Beneath Our Feet	6,000	-	(6,000)	-
TNC Community Fund - Hexham Pride	8,325	-	(8,325)	-
Youth Music – Key Change	41,468	-	(41,468)	-
	105,925	**165,045**	**(225,230)**	**45,740**
Total Funds	**£914,634**	**£1,053,751**	**£(1,215,736)**	**£752,649**

15. Analysis of Charitable Funds (Cont.)

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
29th May 1961 Charitable Trust / Donations – Roof Repairs	Towards the cost of future roof renovation and repairs
Arts Society – Book Festival Intern	Towards the cost on an intern role to support work on Hexham Book Festival
Community Foundation / Historic England / Ray Wind Fund – Beneath Our Feet	To support artistic activity in schools
Hadrian Trust – Youth Theatre	Towards the costs of youth theatre work
North of Tyne Combined Authority – Lanterns	Towards the costs of a lanterns festival
Northumberland CC / North of Tyne Combined Authority - Illuminated Sheep	To support a county-wide visual art trail
Northumberland CC – Fundraiser	Towards the costs of engaging a freelance fundraiser
Northumberland County Council – Ignite	Towards the costs of the Ignite programme
TNC Community Fund - Hexham Pride	Towards the costs of the 2024 Pride event
Youth Music – Key Change	To support a youth-led music festival

16. Related Party Transactions

The charity has a close working relationship with Arts Council England which is a registered charity and has provided significant funding which enables the charity to carry out its charitable objectives. In total, grant funding of £120,231 (2023: £114,834) was recognised from Arts Council England in the year. At 31 March 2024, no sums were owing to Queen's Hall Arts from Arts Council England (31 March 2023: £Nil).

The charity also has a close relationship with Northumberland County Council (NCC) which provides essential core funding to the charity, as well as occasional project-based funding. In addition, the Queen's Hall, where the bulk of the charity's activities take place, is leased from NCC at a peppercorn rent whilst the charity operates sub-leases at the Queen's Hall to NCC Customer Services.

Ongoing NCC funding is subject to annual reviews and agreements on performance targets.

In total, grant funding of £187,683 (2023: £305,336) was recognised from NCC in the year. At 31 March 2024, £57,252 was owing to Queen's Hall Arts from NCC (31 March 2023: £45,000).

There were no other transactions in the year with related parties, such as are required to be disclosed (2023: Nil).

17. Taxation

The company is a registered charity and no provision is considered necessary for taxation.

18. Financial Commitments

No material financial commitments have been made in respect of future financial periods.

19. Company Limited by Guarantee

The charity is incorporated under the Companies Act 1985 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.

There are currently 11 members of the company (2023 - 10 members).

QUEENS HALL ARTS

England & Wales - Charity number 1088975

Accounts

Company Registration Number 03929839

Registered Charity Number 1088975

QUEEN'S HALL ARTS

(A COMPANY LIMITED BY GUARANTEE)

REPORT AND ACCOUNTS
For the year ending 31 March 2023

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Queen's Hall Arts Limited
Charity registration number	1088975
Company registration number	03929839
Registered office	Queens Hall Arts Centre, Beaumont Street, Hexham, Northumberland, NE46 3LS

Trustees

For the purposes of the Companies Act 2006, the Board of Trustees is the Board of Directors of the charitable company and is referred to as the Trustees throughout this report.

The Trustees of Queen's Hall Arts during the period and to the date of signing this report are as follows:

Rachel Adam (Chair)	
Jessica Armstrong	Appointed 5 December 2022
Simon Beckwith	Appointed 5 December 2022
Dr Suzanne Fairless-Aitken	Appointed 5 December 2022
Philip Garner	Resigned 7 June 2023
Hannah Jameson-Clarke	Appointed 5 December 2022; Resigned 25 September 2023
Addison Keen	Appointed 5 December 2022
Angeline Lucas	
Gary Lyons	
Susan Martin	Resigned 5 September 2022
Dr Anthony Newton	
Kathryn Nicholson	
David Pritchard	Resigned 5 September 2022
Jonathan Tull	Resigned 5 December 2022
Lynn Turner	

Company Secretary	Katy Taylor
Independent Examiner	Pete O'Hara FCA, Flat 3, 1 Tankerville Terrace, Jesmond, Newcastle upon Tyne NE2 3AH
Bankers	Barclays Bank Plc, Priestpopple, Hexham, Northumberland NE46 1PE
Solicitors	Nicholson Portnell, Priestpopple House, Hexham, Northumberland NE46 1PL

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2023

The Trustees, who are also Directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Queen's Hall Arts is a charitable company limited by guarantee, incorporated on 21 February 2000 and registered as a charity on 19 October 2001.

The charity is controlled by its governing document, its Memorandum & Articles of Association, as amended by Special Resolutions dated August 2001 and 20 May 2009 and constitutes a limited company, limited by guarantee, as defined by the Companies Act.

The Directors of the company are also Trustees of the charity. Eligibility for membership of the charity, and membership of the Board of Trustees, is governed by the Articles of Association. There are no restrictions in the governing document on the operation of the charity other than those imposed by general charity law.

Structure and Governance

The Board of Directors, which can have between 5 -12 members, administers the charity.

1 Member is nominated by Northumberland County Council (NCC) with between 4 and 11 Members elected by resolution in a General Meeting and/or co-opted at a meeting of the Board.

The charity currently has a Board of 10 non-executive Trustees.

The Board meets approximately every 2 months and there are committees covering Finance & Risk, Operations and External Relations which meet regularly. Additionally, there are working groups which act in an advisory capacity.

A Chief Executive, the Artistic Director, is appointed by the Trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Artistic Director has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and artistic programme.

The charity has a close relationship with Northumberland County Council and Arts Council England. These two bodies provide essential core funding to the company. Ongoing funding is subject to annual reviews and agreements on performance targets.

The Queen's Hall, where the bulk of the company's activities take place, is leased from Northumberland County Council, at a peppercorn rent.

The company operates sub-leases at the Queen's Hall to:

- Customer Services, Northumberland CC.
- cafe operators, which under the terms of its lease is required to provide agreed levels of service to arts centre users (in addition to its independent commercial operations).
- small start-up companies in the Creative Spaces area.

There is no structural connection between the charity and these companies.

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Recruitment and Appointment of Board of Trustees

The recruitment of new members is periodically undertaken by the Board, which follows an open and fair recruitment process taking due account of the skills needed by the company and the desire for its membership to reflect the diversity of the local population.

Nominees appointed by the Local Authority are subject to the appointment processes of this body and the guidelines on appointment to public office as they apply to local government nominees.

Trustee Induction and Training

New Trustees are inducted by the Chair and Artistic Director and are provided with a range of resources to support their understanding of Queen's Hall Arts' activities. Trustee training is delivered either through external advisors or charity members of staff.

Reserves Policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission, having reviewed the risks facing the organisation, seeking to maintain a level of reserves which enables the charity to operate effectively with financial stability and the means to fulfil its charitable purpose.

The Trustees aim to hold a level of Unrestricted Funds which enables the charity to have sufficient working capital to continue to operate and also reflects the risks associated with shortfalls in funding, especially withdrawal of support from existing funders. If alternative sources of funding were not forthcoming, then this amount would provide the means for Queen's Hall Arts to settle any outstanding contracts and close the company in an orderly manner.

The Trustees anticipate the free Unrestricted Funds needed to fulfil these criteria as £60,000 as a minimum. The Trustees then aspire to retain an additional allowance of £20,000 as a further contingency and to enable the charity to respond flexibly to issues or appropriate initiatives which might be identified outside of its annual budgeting process.

The target level of free Unrestricted Funds is therefore in the range of £60,000 to £80,000.

The charity's total Unrestricted Funds at 31 March 2023 are £808,709.

Trustees had previously designated some of these Funds as a 'Building Development Fund', providing funding towards future larger periodical building maintenance and developments that are not carried out on an annual basis, but the remaining £19,283 of the Designated Funds brought forward at 1 April 2022 was used in the year to 31 March 2023.

Free Reserves, defined as non-designated Unrestricted Funds minus the value of Unrestricted Tangible Fixed Assets of £769,685, are therefore £39,024 and therefore fall below the target range.

The Trustees aim, through their budgeting processes, to restore Free Reserves to within the target range within 5 years.

The Board regularly reviews the level of reserves that are required to ensure that they are adequate to fulfil our continuing obligations and to allow the organisation to fulfil its charitable purpose.

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Grant Making Policy

The charity does not currently engage in grant-making activity, other than the occasional award of small bursaries.

The Contribution of Volunteers

The charity normally works with approximately 25 volunteers per year.

OBJECTIVES AND ACTIVITIES

Charitable Purpose

The Objects of the charity are to advance public education and appreciation in the arts in all their forms, particularly but not exclusively, for the benefit of the people in the countries of Northumberland, Cumbria, Tyne and Wear and Durham through the provision, maintenance and management of Queen's Hall Arts Centre, Hexham and by any other charitable means that the trustees may from time to time think fit.

Mission & Vision

In 2016 a new mission statement was agreed by the Trustees. This informed delivery subsequently provided the structure for successful medium-term funding bids to Arts Council England and Northumberland County Council.

OUR MISSION is to be the creative heart of the community delivering great arts experiences and supporting professional and aspiring artists.

THE CREATIVE HEART OF THE COMMUNITY
a. A welcoming and stimulating environment for all to experience a broad range of arts activities.
b. Theatre, studio and gallery spaces and other resources at the Queen's Hall Arts Centre for the presentation of work to the highest possible standard.
c. A focal point for cultural organisations where links and partnerships can be developed.
d. Engagement with the full diversity of our community.
e. Resources that can be easily accessed by a large rural catchment.

GREAT ARTS EXPERIENCES
f. A range of shows, exhibitions and other events that are both entertaining and stimulating.
g. High quality touring work from across the country (and beyond) that reflects the diversity and range of contemporary arts interests in Britain.
h. In-house and commissioned work that is informed by a relationship with the community.
i. Participatory activities that are fulfilling and develop skills.
j. Great events and other activities across West Northumberland (and beyond).

OBJECTIVES AND ACTIVITIES (CONTINUED)

Mission & Vision (Cont.)

SUPPORTING PROFESSIONAL AND ASPIRING ARTISTS

k. Commissions, productions & co-productions.
l. Residencies.
m. Mentoring and other long-term support.
n. Training and skills development opportunities.
o. A high proportion of our work with and for young people.
p. Technical and organisational support for artists opening new productions.
q. Networking, collaborating and taking part in partnership initiatives.
r. Programming new and challenging work.
s. Contributing to a viable arts ecology, regionally and nationally.

Queen's Hall Arts' vision statement is to "develop high quality arts provision at the Queen's Hall Arts Centre that will enrich and serve local and outreached communities, developing a creative future for all".

Public Benefit

The Trustees understand and have discussed the implications of the provisions of the Charities Act 2006, which state that all charities must demonstrate that they are established for public benefit, and have had due regard to the public benefit guidance issued by the Charity Commission. The Trustees believe that the charity meets both of the key principles.

Principle 1 – There must be an identifiable benefit, or benefits

Queen's Hall Arts is committed to the educational and social advancements that benefit from its activities and to making those activities as accessible as possible. We provide year-round participatory activities both in community and educational settings.

The artistic programme at the arts centre includes a range of events which reflect a wide variety of local interests, creating opportunities for audiences and performers. Our ticket pricing policy includes discounts to students, and those on low incomes. Exhibitions in the gallery are free. We provide and subsidise outreached events to small communities across a large part of Northumberland.

Principle 2 - Benefit must be to the public, or a section of the public

Queen's Hall Arts' work is available to all members of the public.

Risk Management

The Trustees will continue to conduct an annual risk management review and put in place any required plans or procedures.

As licensed premises the Queen's Hall is subject to regular inspection from statutory and other regulatory bodies to ensure compliance and good practice in a number of areas including health and safety, environmental health, and management of performing rights.

Financial reports are produced by management on a quarterly basis and presented to board meetings. These reports are also subject to scrutiny by the Finance and Risk Committee.

OBJECTIVES AND ACTIVITIES (CONTINUED)

Risk Management (Cont.)

The Trustees consider the key risks facing the charity at this time and the mitigating actions taken to be as follows:

Workload of core staff and freelance team becomes unmanageable:

- Month check-ins in place to identify any workload issues at early stage and implement mitigating actions.
- Annual activity of company mapped out to understand any potential 'pinch-points' and additional resource/staffing built into project budgets and arranged as required.
- Realistic time frames built into all projects
- Health and wellbeing of team prioritised to ensure a positive and supporting working culture.

Not achieving audience targets:

- Focus on regional touring and strong audience development work with local audiences and community partners.
- Developing a robust marketing plan for the organisation and for every project. Sales reports are monitored and acted on in good time if not at target.
- Projected income from tickets sales reflects the current financial climate.

Long-term absence of Director, other Senior Management or Trustees due to resignation or illness:

- Development of Senior Management Team supports absences.
- Increasing the number of Trustees improves resilience and Trustee succession planning, as well as providing consistently.

Not achieving income targets (trusts and foundations, earned income, individual giving):

- Uncertainty around long-term impact on Trusts and Foundations funding mitigated through building relationships with existing funders, and making applications to new funders, to build on previous fundraising success.
- Opportunities to diversity income further are currently being explored through consideration of increased individual giving and sponsorship opportunities.

Cost of Living crisis impacts operations:

- Increases to salaries and freelance rates of pay have been accounted for in 2023-24 budget.
- Projects realistically budgeted and contingencies increased and utilised as required.
- Regular financial monitoring by Senior Management Team and Finance and Risk Committee.

Compliance with legislation/regulations appropriate to the activities, size and structure of the charity:

- Balanced Board including experienced Trustees, an annual Board calendar with applicable requirements noted, responsibilities assigned and monitored.

The Trustees also manage the general financial risks arising by ensuring that:

- Prudent budgets have been set for the next financial year
- The charity maintains a prudent, low-cost operating base
- Regular management accounts are provided, showing the performance against budget
- Contingency plans are in place should income levels appear unlikely to reach targets
- Reserves policies have been adopted which provide an appropriate level of uncommitted reserves which will enable the charity to meet its liabilities.

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2023

ACHIEVEMENTS AND PERFORMANCE

In the face of national and international socio-economic challenges in 2022/23, Queens Hall Arts (QHA) has not only persevered but thrived, demonstrating resilience, adaptability, and a commitment to our core values. This annual report serves not just as a testament to our achievements but as a roadmap for the future, outlining the strategies that will guide us through the next stage of our organisational development.

Summary of main achievements of the charity during the year

Over the past year, we have achieved significant milestones that underscore our dedication to our mission. From Illuminated Sheep to our Christmas performance, each success tells a story of determination, innovation, and the unwavering support of our staff, board, volunteers, stakeholders, and community.

Despite the continued effects of Covid cancellations and the increasing pressures of the cost-of-living crisis, we have managed to reach pre-Covid levels of attendance. Over 78,000 people attendees at the 780 performances, workshops, and exhibitions we created and hosted. This ensures that our venue is a bustling and creative hub for the Tyne Valley.

Beyond the building we have seen huge growth in our impact digitally with over 53,000 impactful engagements. The face-to-face engagements with our communities across Northumberland have more than doubled, to nearly 14,000, since 2019/20. This is a reflection on the strategic decision that the board and staff took during the pandemic, to reach out to our community and expand our programme beyond the walls of our venue. The roll out of this strategy has changed the way in which QHA works from fundraising to delivery. We have reached out to involve our community and the creative sector, from the planning stage, to co-create projects. Building these new, meaningful, and trusted relationships will shape the way we develop the organisation and ensures we remain relevant and important to our community.

During the last year, QHA has successfully evolved into a cultural leader within the region including our leadership of the Hexham Cultural Network and growth of our creative regional partnerships. Defined by the core principles of innovation, diversity and inclusion, community engagement and artist development, we have fostered a co-creation model that resonates not only within our organisation but also contributes significantly to the cultural landscape of the region.

In 2022/23, QHA has garnered extensive national media coverage, showcasing the impactful nature of our projects. Through a commitment to innovation and excellence, our initiatives have captured the attention of prominent media outlets including the BBC, ITV, The Times, and Sky News. This coverage has provided an important platform to spotlight our contribution to the arts sector in the North East. The media coverage not only recognises our organisation's achievements but also serves as a testament to our commitment to driving positive change. We are proud to share our journey and successes with a wider audience, further solidifying our position as a regional trailblazer in the arts.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of main achievements of the charity during the year (Cont.)

Some of the highlights of 2022/23 include:

Illuminated Sheep
For the first time QHA worked across the whole of Northumberland with our 'Illuminated Sheep' project, created by international respected artist Deepa Mann-Kler in response to the Lindisfarne Gospels exhibition. The 'Illuminated Sheep' project aimed to foster community engagement across the county through an innovative visual arts initiative. This fun and engaging project involved active participation from a wide range of different communities, including schools, walking groups, small business and many more. Through interactive visual arts activities, the project sought to create a lively and inclusive atmosphere, encouraging collaboration and creativity. Despite the challenges posed by diverse community dynamics, the project successfully illuminated the cultural landscape of Northumberland, leaving a lasting impact on both participants and the broader community.

With the support of key cultural partners, a flock of 30 sheep visited three key locations; Bamburgh Castle, Vindolanda Roman Fort & Museum and Woodhorn Museum. With attendance of over 1000 for the whole flock events and wonderful feedback from both organisations and the public, this was a great success. All the additional activity has amplified QHA's work beyond Hexham and included a wide variety of complementary activity to support the project, including an Activity Pack which has been distributed to every school in Northumberland.

The finale of the project happened December 2022, when the flock was once again gathered in Hexham for the 'Festival of Flame' at Hexham Abbey. With attendance at over 3000 this was the most successful Hexham-based event since before the pandemic.

Jubilee Celebrations
In close collaboration with the local authority, our organisation embarked on a remarkable venture to create a site-specific live performance at Cawfields Quarry as a tribute to Her Majesty the Queen's Jubilee. This collaborative effort seamlessly merged creativity and civic partnership, resulting in a captivating and unique celebration. Working hand in hand with Northumberland County Council allowed us to integrate the rich heritage and cultural significance of the region into every aspect of the performance, creating an inspiring experience for the national and international media which shone a spotlight on Northumberland. The delivery of this project reflects not only our commitment to artistic excellence but also our desire to contribute meaningfully to the collective celebration of our shared cultural heritage.

Outside Performance
For the first time in over a decade QHA offered our audience an outside performance on the cloister lawn of Hexham Abbey, through an initiative in collaboration with Shakespeare's Globe. This ground-breaking partnership has allowed us to push the boundaries of traditional performance settings, bringing the timeless works of Shakespeare to a new and unconventional outdoor venue. This initiative not only breathes new life into a classic but also redefines the boundaries of performance spaces, engaging audiences in unexpected and enchanting ways.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of main achievements of the charity during the year (Cont.)

Christmas Partnership
Building upon a successful artistic partnership with Alnwick Playhouse and a new partnership with The Alnwick Garden, QHA collaborated to craft a brand-new Christmas production of Wind in the Willows. By integrating the creative expertise of all the organisations, we were able to deliver a heart- warming and visually stunning production which included a community cast of children from Hexham and the surrounding area. The inclusion of a child cast not added a delightful touch to the performance but also provides a unique opportunity for young talents to develop their skills and showcase their abilities in a professional setting. This collaborative venture exemplifies our dedication to fostering artistic innovation, nurturing local talent, and creating memorable experiences that resonate with audiences of all ages.

Podcast Series
In a strategic move to connect with diverse audiences and provide a comprehensive insight into our organisation's activities, we developed a podcast series, 'Unseen'. This initiative goes beyond traditional communication channels, offering a behind-the-scenes experience that delves into the intricacies of our work and projects. Our podcast provides a dynamic platform, allowing us to share compelling narratives, discuss creative processes, and explore the motivations driving our initiatives. By leveraging the power of audio storytelling, we aspire to create a more accessible and engaging means for our audience to connect with our mission and vision. This podcast series not only reflects our commitment to transparency but also represents a dynamic step toward fostering a deeper understanding and appreciation for the impact of our work within the broader community.

Exhibition Innovation
As part of our ongoing commitment to promoting regional artistic talent, we have taken a significant step by curating and creating our 6 exhibitions in collaboration with a diverse array of 8 regionally based visual artists. This strategic initiative enables us to seamlessly integrate a vibrant visual arts program into our broader artistic offerings, providing a multifaceted experience for our audience. Working in partnership with both emerging and established regional artists, we have cultivated a dynamic platform that not only celebrates the rich artistic diversity of the region but also positions our gallery as a crucial showcase for their work. As one of the very few galleries in the Tyne Valley, we recognize the importance of our role in providing a prominent and supportive venue for the visual arts, contributing to the cultural tapestry of our community and beyond.

Engaging with our Community
Our commitment to community engagement has deepened significantly through a series of impactful projects. Notably, the Illuminated Sheep community engagement project brought together residents in a unique and creative way, fostering a sense of unity and shared experience. Recognizing the often-overlooked contributions of community members, the Unsung Heroes initiative highlighted and celebrated the remarkable stories of individuals whose efforts enrich our shared narrative. Additionally, the Lantern Parade emerged as a vibrant celebration of creativity, providing a platform for families to express themselves artistically and come together to celebrate. The Key Change project further reinforced our dedication to inclusivity, creating opportunities for young people to take the lead in designing and managing a music festival. Through these initiatives, we are forging deeper connections, celebrating diversity, and actively involving our community in the co-creation of meaningful cultural experiences.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of main achievements of the charity during the year (Cont.)

Partnership Working

At the heart of our organisational ethos is a strong commitment to collaborative partnership working. We have actively engaged in consolidating existing partnerships, fostering stronger ties with esteemed entities such as the Hexham Book Festival, Alnwick Playhouse, and the Hexham Cultural Network. Recognizing the importance of forging new connections, we embarked on exciting collaborations with Tyne and Wear Archives and Museums, The Alnwick Garden, and the Hexham high street retailer. Additionally, we are dedicated to the growth and expansion of our school partnerships, which create enriching educational experiences for students. These collaborative efforts underscore our belief in the power of partnerships to enhance the cultural landscape, expand our reach, and create meaningful experiences with our community.

Continued Challenges (and how we have dealt with them)

Despite our organisation's resilience and commitment to progress, we have encountered challenges throughout the year. These obstacles have been instrumental in shaping our adaptability and strengthening our resolve to overcome adversity. From navigating unforeseen economic uncertainties to addressing logistical hurdles, each challenge has provided valuable lessons that contribute to our development and growth. Additionally, external factors such rising energy costs, the cost-of-living crisis, changing cultural landscapes, and evolving audience expectations have prompted us to re-evaluate and refine our strategies. Through these challenges, we remain unwavering in our dedication to learning, evolving, and finding innovative solutions that will ultimately contribute to the long-term success and sustainability of our organisation.

In response to the ongoing cost-of-living crisis, QHA has risen to the challenge by implementing meaningful initiatives to alleviate financial burdens within our community. Understanding the importance of maintaining access to cultural experiences, we were proud to announce the introduction of focused, free Christmas tickets funded through our 'pay ahead' initiative. Furthermore, our commitment to community engagement remains steadfast as we extend our support by organising free community events including the annual Lantern Parade. These events not only provide opportunities for social connection but also serve as a testament to our dedication to inclusivity and accessibility. By taking these steps, we aim to contribute positively to the well-being of our community during challenging times, ensuring that cultural enrichment remains accessible to all, irrespective of economic circumstances.

Over the past year, we have proactively responded to the challenges posed by increased energy costs and overheads by implementing strategic adjustments to our budgets. Recognising the importance of sustainability and cost efficiency, we have focused on optimising energy usage, identifying and implementing measures to reduce consumption. Concurrently, we have undertaken initiatives to boost our earned income, exploring new revenue streams and enhancing existing offerings to attract a wider audience. By expanding our programme, we not only diversify our income sources but also cater to evolving audience interests. These adaptions reflect our commitment to financial resilience, environmental responsibility, and the continued delivery of high-quality cultural experiences, even in the face of economic challenges.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of main achievements of the charity during the year (Cont.)

Investing in our creative community
We remain steadfast in our commitment to the growth and vitality of the North East cultural sector. A key aspect of this commitment is reflected in our continued employment of freelance artists and professionals, fostering a dynamic and collaborative working environment. Through strategic co-productions like 'Wind in the Willows' and others, we not only enrich our artistic portfolio but also contribute to the cultural landscape of the region. Additionally, we actively support local artists and creating companies by providing freelance working days, valuable mentorship opportunities, dedicated research and development (R&D) spaces, rehearsal space and small commissions. This multifaceted approach underscores our dedication to nurturing artistic talent, promoting collaboration, and reinforcing our role as a catalyst for positive growth within the North East cultural sector supporting more than 65 creative professionals.

Strengthening organisational resilience
To strengthen the resilience of our organization, we have undertaken a series of strategic measures that underscore our commitment to sustainability and adaptability. Achieving Arts Council England National Portfolio Organization (NPO) status has provided a stable foundation, ensuring continued support for our core activities and initiatives. A structural review led to the creation of a Senior Management Team which has empowered us to streamline operations, enhancing efficiency and responsiveness to changing needs. Diversifying our financial base, we have successfully tapped into new funding streams such as the North of Tyne Combined Authority, broadening our resource portfolio.

Embracing flexibility in project delivery, we have engaged freelancers and a project coordinator, allowing us to dynamically scale our team in response to project needs and available funding. This approach not only optimizes resource allocation but also enhances our agility in navigating dynamic projects and expands our skill base.

Recognizing the pivotal role of governance, we have undertaken strategic board recruitment initiatives, bringing in individuals with diverse expertise and a shared commitment to our organisational mission. This collective effort in strengthening our organisational foundation reflects our focus on resilience, adaptability, and long-term sustainability.

Financial Resilience
In a strategic effort to bolster our financial resilience and ensure the sustainability of our organisation, we have undertaken a proactive approach to diversify our income streams. By optimising our bar services, offering private hire options, and expanding our programme to attract diverse audiences, we aim to not only enhance the overall visitor experience but also generate additional income. Furthermore, we expanded our retail sales offer, providing unique merchandise related to the content of our artistic programme. This comprehensive approach reflects our commitment to adaptability and innovation in navigating the evolving economic uncertainties.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of main achievements of the charity during the year (Cont.)

Financial Review

The out-turn for the year is an unrestricted deficit of £(166,739) (2022: Deficit £353). The deficit will be deducted from Unrestricted Funds, leaving a balance on Unrestricted Funds at 31 March 2023 of £808,709.

The aftermath of the global pandemic continues to exert its influence on our operations. The lingering effects of COVID-19 have impacted our financial intelligence, making it challenging to predict and navigate the uncertainties in the sector. However, we remain committed to adapting to these changes and implementing strategies to strengthen our financial resilience.

In addition to the global challenges, we have faced a series of cost escalations. Rising energy costs, compliance with the National Living Wage, and increased overheads have contributed to the financial strain. Moreover, the necessity to address long-term underinvestment in our infrastructure has resulted in higher building maintenance costs.

PLANS FOR THE FUTURE

What are the ambitions and challenges for the next 12 months?

The main focus of the organisation for 2023/24 will be to:

- Expand our audiences to include a wider demographic.
- Continue to expand our co-creation delivery model through our partnership working with schools and our youth led music festival.
- Work with our community and local cultural partners to co-create the first Hexham Pride event.
- Further widen our income streams with an enhanced bar offer, focused private hire and VIP ticket offer.
- Work to further include Youth Voice in our projects and our wider organisation.
- Expand our digital reach including building and delivering a new website
- Strengthen environmental thinking and engagement in our organisation
- Collect and use data to inform our programme in a more informed way and develop systems for measuring the quality of our work.
- Improve accessibility to our website and our venue.

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2023

RESPONSIBILITIES OF THE TRUSTEES

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

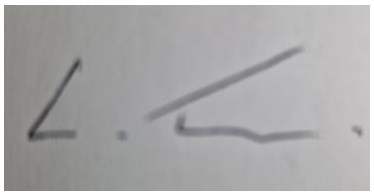
Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that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

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Signed on behalf of the Trustees



Lynn Turner
Trustee
Company Registration Number 03929839

13 December 2023

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF QUEEN'S HALL ARTS FOR THE YEAR ENDED 31 MARCH 2023

I hereby report to the Trustees of Queen's Hall Arts (Charity Registration Number 1088975) on my examination of the accounts for the year ended 31 March 2023 set out on pages 16 to 30.

Responsibilities and Basis of Report

As the charity's Trustees (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.

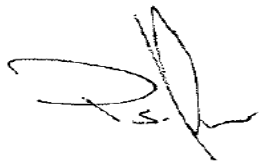
Independent Examiner's Statement

Since the Company's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountant in England and Wales, which is one of the listed bodies.

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 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 or 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 (FRS102)).

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



Pete O'Hara, FCA, Chartered Accountant
Fellow of the Institute of Chartered Accountants in England & Wales

Flat 3, 1 Tankerville Terrace, Jesmond, Newcastle upon Tyne NE2 3AH

13 December 2023

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income					
Income from Investments	2	200	-	200	18
Income from Grants, Donations & Legacies	3	244,721	215,395	460,116	705,503
Income from Charitable Activities	4	420,299	-	420,299	187,275
Other Income	5	9,031	-	9,031	11,050
Total Income		**674,251**	**215,395**	**889,646**	**903,846**
Expenditure					
Cost of Raising Funds	6	-	1,250	1,250	-
Expenditure on Charitable Activities	7	840,990	197,120	1,038,110	808,155
Total Expenditure		**840,990**	**198,370**	**1,039,360**	**808,155**
Net Income/(Expenditure)		**(166,739)**	**17,025**	**(149,714)**	**95,691**
Balance brought forward at 1 April		975,448	88,900	1,064,348	968,657
Balance carried forward at 31 March		**£808,709**	**£105,925**	**£914,634**	**£1,064,348**

The notes on pages 18 to 30 form part of the financial statements.

All of the activities of the company are classed as continuing.

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION/BALANCE SHEET
AS AT 31 MARCH 2023

	Notes	2023 £	2022 £
Fixed Assets			
Tangible Fixed Assets	10	769,685	829,067
Current Assets			
Stocks	11	2,500	-
Debtors	12	86,982	112,515
Cash At Bank & In Hand		249,541	251,738
		339,023	364,253
Creditors – Amounts Falling Due Within 1 Year	13	(194,074)	(128,972)
Net Current Assets/(Liabilities)		144,949	235,281
Total Net Assets	14	**£914,634**	**£1,064,348**
Represented by:			
Unrestricted Funds – General	15	808,709	956,165
Unrestricted Funds - Designated	15	-	19,283
Restricted Funds	15	105,925	88,900
		£914,634	**£1,064,348**

The notes on pages 18 to 30 form part of the financial statements.

The Trustees are satisfied that for the year ended 31 March 2023 the charity was entitled to exemption under section 477(2) of the Companies Act 2006.

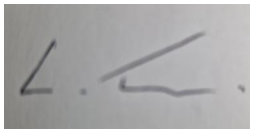
The Trustees also confirm that the Members have not required the charity to obtain an audit in accordance with section 476 of the Companies Act 2006

The Trustees acknowledge their responsibilities for:

(i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved and signed by a Member of the Board of Trustees on 13 December 2023.



Lynn Turner
Trustee
Company Registration Number 03929839

QUEEN'S HALL ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting Policies

Basis of Accounting
These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 and the Statement of Recommended Practice (Charities SORP FRS 102) "Accounting and Reporting by Charities" and the Charities Act 2011.

The financial statements have been prepared on the historical cost basis, modified to include certain financial instruments at fair value.

Advantage has been taken of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cashflows.

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

Taxation Status
Queen's Hall Arts Limited is a Charity registered under the 1960 Charities Act and is accorded exemption from liability to taxation on its income under S505 Income and Corporation Taxes Act 1988.

Going Concern
There are no material uncertainties about the charity's ability to continue.

Income
All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy.

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

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.
- Other income is accounted for when receivable.

1. Accounting Policies (Continued)

Operating Leases
The charity classifies the lease of certain types of equipment as operating leases as the title to the equipment remains with the lessor. Rental charges are charged against income on a straight-line basis over the period of the lease.

Tangible Fixed Assets and Depreciation
Depreciation is provided on any fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

Motor Vehicles	- 25% straight line on cost
Plant & Machinery	- 10% straight line on cost
Fixtures & Fittings	- 25% straight line on cost
Long Leasehold	- 10% straight line on cost
Property Improvements	- 10% straight line on cost

A full year's depreciation charge is applied in the year of acquisition and no charge is made in the year of disposal.

Impairment of Fixed Assets
A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial Instruments
A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost where there is a material adjustment.

Fund Accounting
Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

1. Accounting Policies (Continued)

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

Judgements and Key Sources of Estimation Uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no significant judgements or estimation uncertainty included within the financial statements.

Pensions
The charity operates a defined benefit pension scheme for 1 qualifying employee. The scheme is not open for others to join. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Pension benefits for other staff are provided through a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. The charity makes contributions to this pension scheme and acts as an agent in collecting and paying over both the employee and employer contributions.

For both schemes, the charity makes contributions to this pension scheme and acts as an agent in collecting and paying over both the employee and employer contributions, whilst the amount charged to the Statement of Financial Activities for pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

Legal Status
The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company law members of the charity are the members of its Board of Trustees.

2. Income from Investments

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Interest Receivable	200	-	200	18
	£200	**£-**	**£200**	**£18**

The 2022 total of £18 was wholly attributable to Unrestricted Funds.

3. Income from Grants, Donations & Legacies

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Arts Council England (ACE) – National Portfolio Organisation	120,321	-	120,321	135,077
ACE – Small-Scale Capital	-	(30,081)	(30,081)	299,876
ACE – Cultural Recovery Fund	21,529	-	21,529	-
ACE – Cultural Capital Kickstart	-	3,065	3,065	-
Community Foundation	-	-		12,670
Community Foundation – Tynedale Community Choir	-	2,780	2,780	-
Coronavirus Job Retention Scheme	-	-	-	22,116
Emma Newton Fund	-	-	-	3,000
Foyle Foundation	-	-	-	25,000
Historic England – Beneath Our Feet	-	9,850	9,850	-
Key Change Project (Youth Music)	-	-	-	49,000
Northumberland County Council (NCC) - Fundraiser	-	5,000	5,000	-
NCC – Hexham High Street Heritage Action Zone	-	7,000	7,000	10,000
NCC - Ignite	-	77,748	77,748	-
NCC – Illuminated Sheep	-	45,000	45,000	30,000
NCC - Platinum Jubilee Event/Beacons	-	74,811	74,811	-
NCC - Revenue	95,777	-	95,777	111,778
Ray Wind Fund – Beneath Our Feet	-	6,000	6,000	-
TNC Community Fund - Hexham Pride	-	8,500	8,500	-
UNESCO - Ukrainian Artists in danger	-	5,322	5,322	-
	237,627	**214,995**	**452,622**	**698,517**
Donations	7,094	400	7,494	6,986
	£244,721	**£215,395**	**£460,116**	**£705,503**

Of the 2022 total of £705,503, £275,957 was attributable to Unrestricted Funds and £429,546 to Restricted Funds.

4. Income from Charitable Activities

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Ticket Sales & Commission	265,459	-	265,459	108,003
Theatre/Room Hire & Library Service Charges	75,225	-	75,225	73,326
Front Of House Sales & Commission	8,021	-	8,021	1,855
Recharge Income	71,594	-	71,594	4,091
	£420,299	**£-**	**£420,299**	**£187,275**

The 2022 total of £187,275 was wholly attributable to Unrestricted Funds.

5. Other Income

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Museums & Galleries Exhibition Tax Relief	(7,813)	-	(7,813)	8,500
Other Income	165	-	165	-
Café & Ice Cream Sales	8,879	-	8,879	-
Café Franchise & Service Charges	7,800	-	7,800	2,550
	£9,031	**£-**	**£9,031**	**£11,050**

The 2022 total of £11,050 was wholly attributable to Unrestricted Funds.

6. Expenditure on Raising Funds

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Fundraising Consultancy	-	1,250	1,250	-
	£-	**£1,250**	**£1,250**	**£-**

7. Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Cost of Sales				
Advertising, Design & Publicity	17,879	-	17,879	
Box Office Software/Card Charges	24,770	-	24,770	
Exhibition Costs	4,199	-	4,199	
Film Costs	5,604	-	5,604	
Freelance Fees	45,758	-	45,758	
Front Of House Costs	7,854	-	7,854	
Performance Fees	165,665	-	165,665	
Project Expenditure	108,191	197,120	305,311	392,969
Purchases/Stock	4,478	-	4,478	
Salaries & On Costs	253,650	-	253,650	269,085
	638,048	**197,120**	**835,168**	**662,054**
Support Costs				
Building/Equipment Maintenance	42,425	-	42,425	
Depreciation & Amortisation	59,382	-	59,382	69,090
Heat, Light & Water	57,741	-	57,741	77,011
ICT, Telephone & Website	8,918	-	8,918	
Insurance	2,476	-	2,476	
Other Premises Costs	8,606	-	8,606	
Other Administration & Running Costs	18,882	-	18,882	
	198,430	**-**	**198,430**	**146,101**
Governance Costs				
Accountancy/Payroll/Independent Examination	4,512	-	4,512	
	4,512	**-**	**4,512**	
	£840,990	**£197,120**	**£1,038,110**	**£808,155**

The Trustees approved the disclosure of a more detailed breakdown of costs for 2022/23 but retained the previous format for 2021/22 for consistency with the previously published 2021/22 accounts.

Of the 2022 total of £808,155, £674,618 was attributable to Unrestricted Funds and £133,537 to Restricted Funds.

8. Net Income/(Expenditure)

	2023 £	2022 £
Net income/(expenditure) is stated after charging/(crediting):		
Independent Examiner's Fees – current year	1,500	2,500
Independent Examiner – Other Services	600	-
Depreciation of owned Fixed Assets	59,382	69,090

9. Staff Costs & Trustees' Remuneration

	2023 £	2022 £
Gross Salary Costs	226,721	180,627
Employer's National Insurance	12,501	6,508
Employer's Pension Contributions	14,428	81,950
	£253,650	**£269,085**

No employee received remuneration of more than £60,000 during the year (2022 - Nil).

The charity defines Key Management Personnel as the Trustees and the members of the Senior Management Team. Remuneration of £102,504 (2022: £87,868), including employer's pension contributions, was paid by the charity during the year to Key Management Personnel.

The average number of staff employed during the year, calculated as full-time equivalents, was as follows:	2023 No	2022 No
Artistic Production and Support	13	12

The charity operates a defined benefit pension scheme for all qualifying employees (1 Employee). The scheme is not open for others to join. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Pension benefits for other staff are provided through a NEST Group Personal Pension Scheme, which is a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. The charity makes contributions to this pension scheme and acts as an agent in collecting and paying over both the employee and employer contributions.

9. Staff Costs & Trustees' Remuneration (Cont.)

In the year to 31 March 2023 Queen's Hall Arts made an employer's contribution of 3% of pensionable pay, provided that the employee makes a minimum contribution of 5%.

These amounts are paid over to the scheme on a monthly basis. No contributions were outstanding at 31 March 2023 (2022: £Nil).

The charge to profit and loss in respect of all pension schemes was £14,428 (2022 - £19,950).

In the year to 31 March 2022, there was a further charge for pension lump sum payments of £62,000, relating to a liability paid in 2022/23 together with a provision for future liabilities.

No remuneration has been paid to any Trustees/Directors in the year (2022: £Nil).
No reimbursement has been made of any Travel and Subsistence expenses to Trustees in respect of their attendance at meetings of the charity (2022: £Nil).

10. Tangible Fixed Assets

	Leasehold Improvements	Plant & Machinery
Cost	**£**	**£**
At 1 April 2022	950,583	44,942
Additions	-	-
At 31 March 2023	950,583	44,942
Depreciation		
At 1 April 2022	194,178	44,808
Charge for year	32,320	134
At 31 March 2023	226,498	44,942
Net Book Value		
At 31 March 2023	**£724,085**	**£-**
At 1 April 2022	£756,405	£134

	Fixtures & Fittings	Total Fixed Assets
Cost	**£**	**£**
At 1 April 2022	159,317	1,154,842
Additions	-	-
At 31 March 2023	159,317	1,154,842
Depreciation		
At 1 April 2022	86,789	325,775
Charge for year	26,928	59,382
At 31 March 2023	113,717	385,157
Net Book Value		
At 31 March 2023	**£45,600**	**£769,685**
At 1 April 2022	£72,528	£829,067

11. Stock

	2023	2022
	£	£
Finished Goods for Resale	2,500	-
	£2,500	**£-**

12. Debtors

	2023	2022
	£	£
Trade Debtors	9,671	39,036
Grant Debtors	51,600	50,736
Other Debtors	7,426	6,082
Other Taxes & Social Security Costs	-	661
Accrued Income	8,187	16,000
Prepayments	10,098	-
	£86,982	**£112,515**

13. Creditors – Amounts Falling Due Within 1 Year

	2023	2022
	£	£
Other Taxes & Social Security Costs	10,576	-
Trade Creditors	9,984	46,324
Other Creditors	58,587	14,276
Accruals	114,927	68,372
	£194,074	**£128,972**

14. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Fixed Assets	769,685	-	769,685	829,067
Stock	2,500	-	2,500	-
Debtors	35,382	51,600	86,982	112,515
Cash at Bank and In Hand	195,216	54,325	249,541	251,738
Creditors – Amounts Due Within 1 Year	(194,074)	-	(194,074)	(128,972)
	£808,709	**£105,925**	**£914,634**	**£820,784**

15. Analysis of Charitable Funds

	Fund at 1 April 2022 £	Incoming Resources in Year £	Resources Expended in Year £	Fund at 31 March 2023 £
Unrestricted Funds				
Charity General Fund	956,165	674,251	(821,707)	808,709
Designated Building Development Fund	19,283	-	(19,283)	-
	975,448	**674,251**	**(840,990)**	**808,709**
Restricted Funds				
Community Foundation – Beneath Our Feet	9,900	-	(2,414)	7,486
Illuminated Sheep	30,000	45,000	(75,000)	-
Youth Music – Key Change	49,000	-	(7,532)	41,468
ACE – Small-Scale Capital	-	(30,081)	30,081	-
ACE – Cultural Capital Kickstart		3,065	(3,065)	-
Community Foundation – Tynedale Community Choir	-	2,780	(2,780)	-
Donations – Community Choir	-	400	(400)	-
Historic England – Beneath Our Feet	-	9,850	-	9,850
Northumberland County Council - Fundraiser	-	5,000	(1,250)	3,750
Northumberland County Council – Hexham High Street Heritage Action Zone	-	7,000	(7,000)	-
Northumberland County Council - Ignite	-	77,748	(48,702)	29,046
Northumberland County Council - Platinum Jubilee Event and Beacons	-	74,811	(74,811)	-
Ray Wind Fund – Beneath Our Feet	-	6,000	-	6,000
TNC Community Fund - Hexham Pride	-	8,500	(175)	8,325
UNESCO - Ukrainian Artists in danger	-	5,322	(5,322)	-
	88,900	**215,395**	**(198,370)**	**105,925**
Total Funds	**£1,064,348**	**£889,646**	**£(1,039,360)**	**£914,634**

15. Analysis of Charitable Funds (Cont.)

Name of Designated Fund	Description, Nature & Purpose of the Designated Fund
Building Development Fund	A provision set aside to finance larger periodical building maintenance and developments that are not carried out on an annual basis. The balance of this reserve has been utilised to cover building maintenance costs in 2022/23

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
Community Foundation / Historic England / Ray Wind Fund – Beneath Our Feet	To support artistic activity for older people
Northumberland CC - Illuminated Sheep	To support a county-wide visual art trail
Youth Music	To support a youth-led music festival
ACE – Small-Scale Capital / Cultural Capital Kickstart	Towards the costs of small-scale capital equipment
Community Foundation / Donations – Community Choir	Towards the costs of Tynedale Community Choir
Northumberland County Council – Fundraiser	Towards the costs of engaging a freelance fundraiser
Northumberland County Council – Hexham High Street Heritage Action Zone	Towards the costs of Hexham High Street Heritage Action Zone
Northumberland County Council – Ignite	Towards the costs of the Ignite programme
Northumberland County Council - Platinum Jubilee Event and Beacons	Towards the costs of a Platinum Jubilee event
TNC Community Fund - Hexham Pride	Towards the costs of the 2023 Pride event
UNESCO - Ukrainian Artists in danger	Towards the costs of work with Ukrainian artists

16. Related Party Transactions

The charity has a close working relationship with Arts Council England which is a registered charity and has provided significant funding which enables the charity to carry out its charitable objectives. In total, grant funding of £114,834 (2022: £434,953) was recognised from Arts Council England in the year. At 31 March 2023, no sums were owing to Queen's Hall Arts from Arts Council England (31 March 2022: £50,736).

The charity also has a close relationship with Northumberland County Council (NCC) which provides essential core funding to the charity, as well as occasional project-based funding. In addition, the Queen's Hall, where the bulk of the charity's activities take place, is leased from NCC at a peppercorn rent whilst the charity operates sub-leases at the Queen's Hall to NCC Customer Services.

Ongoing NCC funding is subject to annual reviews and agreements on performance targets.

In total, grant funding of £305,336 (2022: £151,778) was recognised from NCC in the year. At 31 March 2023, £45,000 owing to Queen's Hall Arts from NCC (31 March 2022: £Nil).

There were no other transactions in the year with related parties, such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (Effective April 2008) (2022: Nil).

17. Taxation

The company is a registered charity and no provision is considered necessary for taxation.

18. Financial Commitments

No material financial commitments have been made in respect of future financial periods.

19. Company Limited by Guarantee

The charity is incorporated under the Companies Act 1985 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.

There are currently 10 members of the company (2022 - 7 members).

QUEENS HALL ARTS

England & Wales - Charity number 1088975

Accounts

Charity Registration No. 1088975

Company Registration No. 03929839 (England and Wales)

QUEENS HALL ARTS

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022



stokoerodger LLP
CHARTERED ACCOUNTANTS

QUEENS HALL ARTS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Rachel Adam Philip Garner Angeline Lucas Gary Lyons Susan Martin Anthony Newton Kathryn Nicholson David Pritchard Jonathan Tull Lynn Turner
Secretary	Katy Taylor
Charity number	1088975
Company number	03929839
Principal address	Beaumont Street Hexham Northumberland NE46 3LS
Registered office	Beaumont Street Hexham Northumberland NE46 3LS
Independent examiner	J Hart Stokoe Rodger LLP St Matthews House Haugh Lane Hexham Northumberland NE46 3PU
Bankers	Barclays Bank Plc Priestpopple Hexham Northumberland NE46 1PE
Solicitors	Nicholson Portnell Priestpopple House Hexham Northumberland NE46 1PL

QUEENS HALL ARTS

CONTENTS

	Page
Trustees' report	1 - 9
Independent examiner's report	10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 26

QUEENS HALL ARTS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and “Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)” (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities
The company's objectives are:-

To advance public education and appreciation of the arts in all their forms, particularly but not exclusively, for the benefit of the people in the Counties of Northumberland, Cumbria, Tyne & Wear and Durham through the provision, maintenance and management of Queen's Hall Arts Centre, Hexham and by any other charitable means that the trustees may from time to time think fit.

In 2016 a new mission statement was agreed by the Trustees. This informed delivery subsequently provided the structure for successful medium-term funding bids to Arts Council England and Northumberland County Council.

OUR MISSION is to be the creative heart of the community delivering great arts experiences and supporting professional and aspiring artists.

THE CREATIVE HEART OF THE COMMUNITY

a. A welcoming and stimulating environment for all to experience a broad range of arts activities.
b. Theatre, studio and gallery spaces and other resources at the Queen’s Hall Arts Centre for the presentation of work to the highest possible standard.
c. A focal point for cultural organisations where links and partnerships can be developed.
d. Engagement with the full diversity of our community.
e. Resources that can be easily accessed by a large rural catchment.

GREAT ARTS EXPERIENCES

f. A range of shows, exhibitions and other events that are both entertaining and stimulating.
g. High quality touring work from across the country (and beyond) that reflects the diversity and range of contemporary arts interests in Britain.
h. In-house and commissioned work that is informed by a relationship with the community.
i. Participatory activities that are fulfilling and develop skills.
j. Great events and other activities across West Northumberland (and beyond).

SUPPORTING PROFESSIONAL AND ASPIRING ARTISTS

k. Commissions, productions & co-productions.
l. Residencies.
m. Mentoring and other long-term support.
n. Training and skills development opportunities.
o. A high proportion of our work with and for young people.
p. Technical and organisational support for artists opening new productions.
q. Networking, collaborating and taking part in partnership initiatives.
r. Programming new and challenging work.
s. Contributing to a viable arts ecology, regionally and nationally.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Public benefit

Queen's Hall Arts is committed to the educational and social advancements that benefit from its activities and to making those activities as accessible as possible. We provide year round participatory activities both in community and educational settings. The artistic programme at the arts centre includes a range of events which reflect a wide variety of local interests, creating opportunities for audiences and performers. Our ticket pricing policy includes discounts to students, and those on low incomes. Exhibitions in the gallery are free. We provide and subsidise outreached events to small communities across a large part of Northumberland.

Achievements and performance

The mission of QHA is to be the creative heart of the community, and despite 2021/22 continuing to be very challenging in the context of the Covid-19 pandemic, this mission remained heart and centre of board and staff decisions during the year, as we supported the return of audiences and staff to the building. QHA not only reopened the venue but also completed a major capital project to create a new Studio Theatre and reconfigure the backstage areas to ensure they are accessible for all.

Whilst attendance to live events and exhibitions at 18,360 was considerably lower than usual, QHA were able to adapt provision to offer digital engagement at a level not seen in previous years (18,366 digital engagements).

The majority of group activity remained online or outside until 2022 and where activity was possible numbers were restricted to allow social distancing. Some activity continued to remain online to protect vulnerable participants. Work with schools and other community organisations took ingenuity and adaptability to create projects which could change according to the Covid restrictions.

The pandemic led to the cancellation of more than 34% of performances in Quarter 3 alone, as tours were delayed and rescheduled. In Autumn/Winter 2021/22, audience numbers were restricted for over 50% of performances to allow customers to socially distance. Audience numbers remained below pre-Covid levels, and there was a particular impact on older audiences. Until Spring 2022, we required staff, freelancers and performers to test daily. Absences due to isolating impacted delivery and led to further delays and cancellations.

Covid and the roll out of central government’s Plan B particularly impacted on the Christmas Show despite advance sales getting off to a healthy start. Over 39% of tickets were purchased more than 4 weeks before the first show date and this compared very positively with 23% in 2019. Promotion of the Christmas Show was supported by an Early Bird Offer which sold over 400 tickets and earlier distribution of print and communication with schools. However, once numbers of Covid 19 cases began to rise locally and information was sent from councils to schools and guardians, booking momentum fell considerably alongside group cancellations and increased refund requests. Over 500 tickets were refunded across public and school performances (including 3 cancelled performances) with a value of over £5500. The number of tickets sold per day gradually decreased from around 100 a day to under 100 per week, at a time which would normally be the busiest period for sales.

Our capital project was also impacted by the pandemic with a considerable overrun of five months and a resulting increase in costs. QHA reopened for performances before the work was complete with staff moving out of the offices to provide replacement dressing rooms and rehearsal spaces.

Despite these considerable challenges the staff and board of QHA worked together to adapt the organisation to respond effectively and positively. The main focus of 2021/22 was directed towards:

- Managing a phased re-opening after shutdown
- Reconnecting with audiences
- Engaging with our communities
- Strengthening organisational resilience
- Investing in our creative community
- Financial Resilience

Managing a phased re-opening after shutdown

To ensure that the staff and the building were ready for the public to return in August 2021 there was a considerable amount of planning and preparation required. This included:

- **Recruitment.** During the pandemic, some members of the staff team had moved on to other posts. In late summer we put in place a recruitment campaign to find skilled staff to fill the gaps within the team. A number of our volunteers did not come back, due to changes in their circumstances, but we successfully returned this team to full strength with a recruitment drive in early Autumn 2021.
- **Training.** All staff and volunteers required extensive training after such a long time away from the venue. A comprehensive package of training, including First Aid, Fire Evacuation and specialist technical skills, ensured that the organisation was ready for the public to return. In addition, we ensured that everyone had time to orientate themselves back into the workplace.
- **Reviewing working practices**. Key to the reopening was development of Covid secure practices for staff, volunteers and the public. These were created by the staff team using best practice from within the arts sector and adapted to the peculiarities of our building. The new systems included additional cleaning, hand sanitation points, social distancing, increased ventilation and one-way systems. We also reviewed the opening hours of the Box Office and took the opportunity to streamline the service to enable staff to take time out of their public facing roles to undertake data collection to feed in to the strategic planning. We enacted a hybrid working policy for non-operational staff, so they could manage their workloads and we could support social distancing.
- **Programming.** Our opening programme was informed by the data about audience confidence and needs which was available both nationally and regionally. QHA curated an autumn programme which included a mixture of live events, screening and hybrid performances.
- **Cleaning and refurbishment.** As part of phased re-opening we recommissioned the building with a deep clean as well as repainting and repairing the public areas of the building, the offices and technical spaces.

Reconnecting with audiences

Planning the physical re-opening was just one piece in the jigsaw. The creation and delivery of a strategic *welcome back campaign* was vital to re-engaging with our audiences and giving them the confidence to return. This campaign began months before the first performances with a suite of posters on the outside of the building, accompanied by a campaign on our social media channels.

To help our audiences feel more confident in returning to live performance we put in place Covid security protocols and communicated these clearly. We also amended our refund policy so that people could request a refund at any point, which helped to de-risk ticket purchases.

Engaging with communities

Following on from the strategic planning undertaken in 2020/21, QHA focussed intensively on engagement with communities in and around Hexham. Through three key projects we co-created artistic content with a variety of partners:

- **Unsung Heroes.** QHA commissioned international multimedia artists Davy & Kristin McGuire and North East musician Bridie Jackson to create Unsung Heroes, a brand-new augmented reality musical project co-created with the local community and celebrating the contributions of local people during the pandemic.
- **Animating Hexham.** Working with 6 animators and 20 community animators we projected newly created work on to windows and buildings on a trail across Hexham town centre. The animations were inspired by the heritage of the town and attracted an audience of over 800 people across 3 evenings.

- **Lantern Parade.** This was a real demonstration of communities coming together on the streets of Hexham. The project started with 3 community-based lantern making workshops with 83 families attending, school workshops for over 60 children and an online workshop which had over 1.1K views. The Lantern Parade took place in November 2021 with people bringing their lanterns to parade through the streets with live music. The event target was to engage 200 people in the parade, and we were delighted to welcome over 650 to the streets of Hexham. The event was very well received and from feedback the lantern parade exceeded expectations. Local shops and business engaged with the event – including one pub organising a snow machine to run from an upstairs window – and local businesses reported increased evening sales, especially for food and drink.

Strengthening organisational resilience

It was vital during 2021/22 to strengthen QHA to ensure it could thrive despite the uncertainties of the outside world. This activity was formed into 3 main strands:

- **The capital project.** This was funded by Arts Council England, Foyle Foundation, Garfield Weston Foundation, individual donations and QHA's building development fund. The work included the creation of accessible dressing rooms, backstage areas and a new Studio Theatre. This project now ensures that all performance and backstage areas are accessible and provides a 50-seat studio performance space with flexibility for workshops and exhibitions.
- **Structural review.** A Working Group were mandated by the Board to examine options for improving the staff structure for QHA. The closure forced by Covid provided an unusual space, perspective and extra time within which to reflect and consult in a considered way on possible options. The review included an analysis of our weaknesses and strengths, consideration of how best to serve the needs of our community and the sector in a post-Covid landscape and how the structure could enable delivery of our creative purpose whilst facilitating financial stability for the organisation. The review resulted in the creation of new senior management roles and the development of current staff with the desired outcome of maximising commercial use of the building, as well as clarifying and strengthening management structures to create more realistic spans of control for managers.
- **Board recruitment.** To ensure we had a clear succession plan in place for trustees whose tenure would be completed in 2022, we undertook a successful board recruitment campaign. The skills and experience brought by the incoming trustees has ensured the organisation can continue to develop strategic plans and KPIs in line with our mission and vision.

Investing in our creative community

Throughout 2021/22 QHA has continued to invest in the North East cultural sector through:

- **Employment of freelance artists and professionals** to deliver projects and support the staff team. QHA employed more than 27 freelance artists and professionals in 2021/22.
- **The Northumberland Commission Hub** (QHA and Alnwick Playhouse). Through the creation of a new Christmas production at QHA, *The Remarkable Robin Armstrong's Extraordinary Christmas Adventure*, and the remounting of *A Viking Christmas* at Alnwick Playhouse, the commissioning hub employed over 35 creative professionals and performers.
- **Supporting artists and companies.** QHA provided rehearsal space, mentoring and fundraising support to more than 20 artists and companies based in the North East. Feedback demonstrates that this is highly valued and QHA is seen as a vital part of regional networks supporting artists and companies to make new work.

Financial resilience

Despite the financial challenges of 2021/22, with reduced income from theatre space rental, creative tenants, café bar and ticket sales, QHA has continued to be financially prudent and viable. We made full use of the furlough and flexi-furlough schemes for staff as well expanding our fundraising activity both with individuals and organisations.

Financial review

The income and expenditure account on page 11 shows a deficit of £62,320 on unrestricted funds of total income to total resources expended before transfers. Designated funds shows a deficit of £137,998 for the year before transfers.

Risk Assessment

The trustees will continue to conduct an annual risk management review and put in place any required plans or procedures. As licensed premises the Queen's Hall is subject to regular inspection from statutory and other regulatory bodies to ensure compliance and good practice in a number of areas including health and safety, environmental heath, and management of performing rights. Financial reports are produced by management on a quarterly basis and presented to board meetings. These reports are also subject to scrutiny by the Finance and Risk Committee.

Reserves policy

QHA's financial reserve is a risk management measure designed to provide for orderly management of the organisation's affairs in the event of unplanned financial stress.

The Charity Commission advises charities to consider holding an unrestricted reserve equivalent to between three and six months' running costs, depending on the nature and size of the organisation.

The size of QHA's reserve should be sufficient to cover essential needs in an emergency situation – for example a period of extended illness, the withdrawal of a major funding source, a pandemic, or in the worst case, the winding down of operations if the organisation becomes financially unviable. It should however not be so large as to tie up funds which should be being used in proper ordinary pursuit of the company's charitable objects. The size of the reserve should also be proportionate to the scale of QHA's total turnover, to the assessed level of risk against which it is a safeguard, and to the achievability of setting aside the determined amount.

The QHA reserve allocation will be actively managed as part of our regular budgeting processes, keeping under review the calculations and assessment of risks on which it is based, and adjusting these as necessary.

Project budgets may have a specified contingency line, depending on specifically judged levels of uncertainty that may apply in an individual case. Such contingency provisions have a different purpose and are not part of the general financial reserve, although they may be reported as "restricted reserves" for the purposes of the accounts.

In addition to holding an unrestricted general reserve as provided by this Policy, QHA may also hold such "designated reserves" as may be considered prudent for particular purposes, including but not limited to building renovations, other major capital developments, and planned programmes of activity defined in the Business Plan that take place over multiple years.

Policy provisions

(i) QHA will seek to maintain an unrestricted financial reserve equivalent to the average core operating costs for three months of the organisation's normal operation, funded by an allocation from available unrestricted funds.

(ii) This target should be achieved by the end of the budget year 2023-24 with the aim of maintaining it thereafter.

(iii) The calculation of average core operating costs for this purpose will take into account all predictable recurring costs such as staff salaries, benefits and expenses, building running costs and service charges. The calculation will be updated each year as part of the approval of the annual budget.

(iv) The progressive allocation of funds towards the reserve, and the status of the reserve, will be shown in regular financial reports provided to the Board.

(v) Use of the funds held in the reserve will, when possible, be approved in advance by the Finance and Risk Committee and reported to the Board. In cases of greater urgency when such advance approval is not possible, a decision to draw on the funds held in the reserve may be made by the Artistic Director/Chief Executive in consultation with the Chair of the Finance and Risk Committee and the Chair of the Board of Trustees.

(vi) Following any use of the funds in the reserve in line with paragraph (v) above, the Board may determine the steps to be taken to replenish the funds so used in order to return the reserve to its target level, and the timeframe within which this replenishment should be achieved.

Plans for the future

The major challenge for QHA over the next financial year will be the continued impact of Covid and the fiscal pressures on the cost of living. It will be vital that QHA continues to be fleet of foot in responding to the changing needs of our communities, and remains relevant by co-producing work through a variety of partnerships. QHA aspires to expand our reach across Northumberland and the wider North in terms of networking and also working in partnership with culture and heritage organisations. The main focus of the organisation will be:

- **Collaborative working with arts and cultural sector organisations across the north as well as with non-arts organisations within Northumberland.**
- **Co-creation of projects and artistic content with our communities.**
- **Creating and implementing a new Audience Development Plan informed by data and audience interaction.**
- **Measuring, managing and reducing our Environmental Impact.**
- **Delivering and evidencing quality in our artistic programme.**
- **Embedding diversity more strongly both within our programme and our organisation.**
- **Realise new and enhance existing income streams.**

Structure, governance and management

Queens Hall Arts is a company limited by guarantee governed by its Memorandum and Articles of Association dated 2009. It is registered as a charity with the Charity Commission. There are currently 8 members, each of whom agree to contribute £1.00 in the event of the charity winding up. The members are also the directors of the limited company.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Susan Martin	(Resigned 5 September 2022)
David Pritchard	(Resigned 5 September 2022)
Kathryn Nicholson	
Philip Garner	
Jonathan Tull	
Derek Kennedy (NCC)	(Resigned 6 April 2021)
Antony Newton	
Clare Forsythe	(Resigned 6 April 2021)
Rachel Adam	(Appointed 13 July 2021)
Angeline Lucas	(Appointed 13 July 2021)
Lynn Turner	(Appointed 13 October 2021)
Gary Lyons	(Appointed 13 October 2021)

The appointment of trustees is set out in the Articles of Association:-
Nominated Member:-
1 by Northumberland County Council - (NCC)
Elected Members:-
Between 4 and 11 Members by resolution in a general meeting and/or co-opted at a meeting of the Board.

The recruitment of new members is periodically undertaken by the Board, which follows an open and fair recruitment process taking due account of the skills needed by the company and the desire for its membership to reflect the diversity of the local population.

Nominees appointed by the local authority are subject to the appointment processes of this body and the guidelines on appointment to public office as they apply to local government nominees.

The Board of directors, which can have between 5 -12 members, administers the charity. The Board meets approximately every 2 months and there are committees covering Finance & Risk, Operations and External Relations which meet regularly. Additionally there are working groups which act in an advisory capacity. A chief executive, the Artistic Director, is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Artistic Director has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and artistic programme.

The charity has a close relationship with Northumberland County Council and Arts Council England. These two bodies provide essential core funding to the company. Ongoing funding is subject to annual reviews and agreements on performance targets.

The Queen's Hall, where the bulk of the company's activities take place, is leased from Northumberland County Council, at a peppercorn rent.

The company operates sub-leases at the Queen's Hall: -

- To Customer Services, Northumberland CC.
- To cafe operators, which under the terms of its lease is required to provide agreed levels of service to arts centre users (in addition to its independent commercial operations).
- To small start-up companies in the Creative Spaces area.

There is no structural connection between the companies.

Asset cover for funds

Note 17 sets out an analysis of the assets attributable to the various funds and a description of those funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

The trustees' report was approved by the Board of Trustees.

Rachel Adam
Chair
22 December 2022

QUEENS HALL ARTS

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF QUEENS HALL ARTS

I report to the trustees on my examination of the financial statements of Queens Hall Arts (the charity) for the year ended 31 March 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAS, which is one of the listed bodies.

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 that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements 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 financial statements 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 financial statements to be reached.

J Hart
Stokoe Rodger LLP

St Matthews House
Haugh Lane
Hexham
Northumberland
NE46 3PU

Dated: 22 December 2022

QUEENS HALL ARTS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds	Designated funds	Restricted funds	Total 2022	Total 2021
		£	£	£	£	£
Income and endowments from:						
Grants and donations	**2**	275,957	-	429,546	705,503	664,045
Operation of arts services	**3**	187,275	-	-	187,275	61,896
Investments	**4**	18	-	-	18	44
Other income	**5**	11,050	-	-	11,050	8,232
Total income and endowments		474,300	-	429,546	903,846	734,217
Expenditure on:						
Raising funds	**6**	-	-	-	-	28,850
Charitable activities	**7**	536,620	137,998	133,537	808,155	382,518
Total resources expended		536,620	137,998	133,537	808,155	411,368
Net (outgoing)/incoming resources before transfers		(62,320)	(137,998)	296,009	95,691	322,849
Gross transfers between funds		753,336	(76,276)	(677,060)	-	-
Net income/(expenditure) for the year/ Net movement in funds		691,016	(214,274)	(381,051)	95,691	322,849
Fund balances at start of financial year		265,149	233,557	469,951	968,657	645,808
Fund balances at end of financial year		956,165	19,283	88,900	1,064,348	968,657

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

QUEENS HALL ARTS

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	**10**		829,067		556,641
Current assets					
Stocks	**11**	-		900	
Debtors	**12**	112,515		42,248	
Cash at bank and in hand		251,738		443,564	
		364,253		486,712	
Creditors: amounts falling due within one year	**13**	(128,972)		(74,696)	
Net current assets			235,281		412,016
Total assets less current liabilities			1,064,348		968,657
Income funds					
Restricted funds	**15**		88,900		469,951
Designated funds			19,283		233,557
Unrestricted funds - Free reserves			127,098		220,506
Unrestricted funds - Non liquid reserves			829,067		44,643
			1,064,348		968,657

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 22 December 2022

Rachel Adam
Trustee

Company Registration No. 03929839

QUEENS HALL ARTS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash generated from operations	**19**		149,672		296,181
Investing activities					
Capital additions		(341,516)		-	
Investment income received		18		44	
Net cash (used in)/generated from investing activities			(341,498)		44
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(191,826)		296,225
Cash and cash equivalents at beginning of year			443,564		147,339
Cash and cash equivalents at end of year			251,738		443,564

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Queens Hall Arts is a private company limited by guarantee incorporated in England and Wales. It is registered as a charity with the Charity Commission. The registered office is Beaumont Street, Hexham, Northumberland, NE46 3LS.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees, having regard to the nature, size and complexity of the charity, have assessed the financial risks affecting the charity and its operations for the 12 months from approval of the accounts, taking into account the core funding from Northumberland County Council being renewed annually and the core funding from Arts Council England being agreed until 2022/23, and thus consider it appropriate to prepare accounts on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt.

Grants are recognised in full in the financial period to which it relates, in accordance with the offer letter from the appropriate funding body.

1 Accounting policies **(Continued)**

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis and has been classified under the headings that aggregate all costs to that category. Charitable activity costs includes expenditure relating to the operation of the theatre and art centre and includes both the direct costs and support costs relating to these activities. Support costs include central function expenditure. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold property improvements	Over the length of the lease or 10% per annum straight line
Plant and machinery	25% per annum straight line
Fixtures, fittings & equipment	25% per annum straight line

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity only has financial assets and 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.

1 Accounting policies **(Continued)**

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.11 Retirement benefits

Payments to defined retirement benefit schemes are charged as an expense as they fall due. The contributions relate to one employee. The scheme is not open for others to join.

The payments in respect of the workplace pension are charged as an expense in the period they relate to.

2 Grants and donations

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Donations and gifts				
- General donations	1,986	-	1,986	6,439
- Donations Studio Project	5,000	-	5,000	5,000
Grants receivable for core activities				
- Northumberland County Council	111,778	-	111,778	98,528
- Arts Council England	135,077	-	135,077	120,321
Other project income	-	429,546	429,546	110,406
Job Retention Scheme Support	22,116	-	22,116	87,616
Covid Support from Government, Local Authorites and other bodies	-	-	-	235,735
	275,957	429,546	705,503	664,045
For the year ended 31 March 2021	603,639	60,406		664,045

Other Project Income

Re Studio Project				
Garfield Weston Foundation	-	-	-	50,000
Foyle Foundation	-	25,000	25,000	-
Arts Council England - Small Capital Grant	-	299,876	299,876	14,576
Other Projects				
The Kellet Fund/The Wellesley Trust Fund at the Community Foundation	-	-	-	19,430
Future Arts Centres (Here and Now)	-	-	-	12,000
Arts Council England Recovery Grant Money	-	-	-	10,000
Grants < £10,000 (See Note 15)	-	15,670	15,670	4,400
Hexham Hign Street Heritage Action Zone (NCC)	-	10,000	10,000	-
Keychange Project (Youth Music)	-	49,000	49,000	-
Northumberland County Council - Illuminated Sheep	-	30,000	30,000	-
	-	429,546	429,546	110,406

Covid Support from Government, Local Authorities and other bodies

NCC Covid-19 Business Grants	-	-	-	41,500
Arts Council England Emergency Responce Fund	-	-	-	36,428
Power to Change Covid Grant	-	-	-	25,000
Culture Recovery Fund Round 1	-	-	-	132,807
	-	-	-	235,735

3 Operation of arts services

	Ticket sales and commission	Theatre and room hire and library service charges	Front of house sales and commission	Recharge income	Total	Total
	2022	2022	2022	2022	2022	2021
	£	£	£	£	£	£
Sales within charitable activities	108,003	73,326	1,855	4,091	187,275	61,896

For the year ended 31 March 2021

	Ticket sales and commission	Theatre and room hire and library service charges	Front of house sales and commission	Recharge income	Total 2021
	£	£	£	£	£
Sales within charitable activities	7,182	54,655	10	49	61,896
Analysis by fund					
Unrestricted funds	7,182	54,655	10	49	61,896

4 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	18	44

5 Other income

	2022	2021
	£	£
Cafe franchise and service charges	2,550	732
Museum and Galleries Exhibition Tax Credits	8,500	7,500
	11,050	8,232

6 Raising funds

	Total	Designated funds	Restricted funds	Total
	2022	2021	2021	2021
	£	£	£	£
Fundraising and publicity				
Staff costs	-	12,000	16,850	28,850
	-	12,000	16,850	28,850

There were no staff costs in the current year relating to publicity as freelancers are now used.

7 Charitable activities

	2022	**2021**
	£	**£**
Staff costs	269,085	213,214
Depreciation and impairment	69,090	21,258
Operation of arts services - activities undertaken directly and support costs	392,969	145,546
	731,144	380,018
Governance costs	77,011	2,500
	808,155	382,518
Analysis by fund		
Unrestricted funds	536,620	329,786
Designated funds	137,998	721
Restricted funds	133,537	52,011
	808,155	382,518

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Art Centre Activities	12	13

Employment costs	2022 £	2021 £
Wages and salaries	180,627	198,898
Social security costs	6,508	7,413
Other pension costs	81,950	18,903
	269,085	225,214

Full time equivalent of these employees equated to 9 (2021 - 9).

There were no employees whose annual remuneration was £60,000 or more.

10 Tangible fixed assets

	Leasehold property improvements	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 April 2021	700,266	44,942	68,118	813,326
Additions	250,317	-	91,199	341,516
At 31 March 2022	950,583	44,942	159,317	1,154,842
Depreciation and impairment				
At 1 April 2021	161,858	43,212	51,615	256,685
Depreciation charged in the year	32,320	1,596	35,174	69,090
At 31 March 2022	194,178	44,808	86,789	325,775
Carrying amount				
At 31 March 2022	756,405	134	72,528	829,067
At 31 March 2021	538,408	1,730	16,503	556,641

All tangible fixed assets are used in furtherance of the Charity's Objects.

11 Stocks

	2022	2021
	£	£
Raw materials and consumables	-	900

12 Debtors

	2022	2021
Amounts falling due within one year:	£	£
Trade debtors	39,036	12,431
Other debtors	67,397	29,817
Provision for purchase credit note	6,082	-
	112,515	42,248

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	46,324	8,600
Other creditors	14,276	9,836
Accruals and deferred income	68,372	56,260
	128,972	74,696

14 Retirement benefit schemes

The charity operates a defined benefit pension scheme for all qualifying employees (1 Employee). The scheme is not open for others to join. The assets of the scheme are held separately from those of the charity in an independently administered fund. Other employees are included in the workplace pension defined contribution scheme operated by NEST. The charity makes contributions to this pension scheme and acts as an agent in collecting and paying over both the employee and employer contributions.

The charge to profit and loss in respect of all pension schemes was £19,950 (2021 - £18,903).

There is also a charge for pension lump sum payments of £62,000. This relates to a liability paid after the year end together with a provision for future liabilities.

15 Restricted funds

The income funds of the charity include restricted funds comprising the following balances of donations and grants held on trust for specific purposes:

		Movement in funds				Movement in funds				
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 March 2022
	£	£	£	£	£	£	£	£	£	£	£
Capital Grant Funds	463,828	-	(6,027)	-	-	457,801	-	(6,027)	(451,774)	-	-
New Capital Grant Fund - Studio Project	-	-	-	-	-	-	324,876	(99,590)	(225,286)	-	-
Capital Grant Funds	463,828	-	(6,027)	-	-	457,801	324,876	(105,617)	(677,060)	-	-
The Kellett Fund/The Wellesley Trust Fund at the Community Foundation serving Tyne & Wear and Northumberland	10,328	19,430	(19,758)	-	-	10,000	-	(10,000)	-	-	-
ACE - Studio Grant	-	14,576	(14,576)	-	-	-	-	-	-	-	-
Reach - Audience Development	-	3,000	(3,000)	-	-	-	-	-	-	-	-
Start	-	900	-	-	-	900	-	(900)	-	-	-
Emma Newton	-	500	(500)	-	-	-	3,000	(3,000)	-	-	-
The 1989 Willian Charitable Trust	3,000	-	(3,000)	-	-	-	-	-	-	-	-
Community Foundation	-	-	-	-	-	-	12,670	(2,770)	-	-	9,900
Theatre Tickets for Kids	1,250	-	-	-	-	1,250	-	(1,250)	-	-	-
Illuminated Sheep	-	-	-	-	-	-	30,000		-	-	30,000
Youth Music	-	-	-	-	-	-	49,000	-	-	-	49,000
Animating Hexham	-	-	-	-	-	-	10,000	(10,000)	-	-	-
Here and Now	-	12,000	(12,000)	-	-	-	-	-	-	-	-
ACE Recovery Grant Money	-	10,000	(10,000)	-	-	-	-	-	-	-	-
	478,406	60,406	(68,861)	-	-	469,951	429,546	(133,537)	(677,060)	-	88,900

15 Restricted funds **(Continued)**

The capital grants from Northumberland County Council and Tynedale District Council, including the new Creative Spaces funds, together with phase one and two income, are for long term development, improvement and refurbishment of the Queens Hall. The resources expended represents the depreciation charge for the year on the these restricted fund fixed assets. All capital funds are represented by capital assets and have now been transferred to unrestricted funds.

The Kellett Fund/The Wellesley Trust Fund at the Community Foundation serving Tyne & Wear and Northumberland - This represents grants received for the purposes of developing and delivering creative participatory projects in the community.

Start - This represents income for the purposes of providing workshops and theatre tickets.

The 1989 Willian Charitable Trust - This represents grants received for the purposes of contributing to core costs to enhance and extend outreach and community work.

Theatre Tickets for Kids - This represents funding for the purposes of subsidising theatre tickets for schools in the local area.

Arts Council England Studio Grant - This was awarded for QHA Opening Doors Project which reconfigures the backstage, studio and dressing rooms to ensure they are accessible for performers, audiences and staff

Reach - Audience Development - This was funding to support marketing and outreach activity that reaches out to non-arts attenders.

Here and Now - Arts Council England and Future Arts Centres funding to marking The National Lottery’s 25th birthday.

Arts Council England Recovery Grant Money - funds to build reserves to replace those used early in the pandemic as well as build reserves to help support QHA through an uncertain future.

Community Foundation - funding to support artistic activity for older people.

Illuminated Sheep - is local authority match funding to support a county-wide visual art trail.

Youth Music - is funding to support the creation of a youth led music festival.

Animating Hexham - is funding from Historic England and Arts Council England to support a pilot animation festival.

The Small Capital Grant Fund - is funding from Arts Council England, Garfield Weston Foundation and the Foyle Foundation which created a new Studio Theatre and reconfigured backstage areas to ensure that they are accessible for all.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Analysis of net assets between funds

	Unrestricted funds 2022	**Designated funds 2022**	**Restricted funds 2022**	**Total 2022**	Unrestricted funds 2021	Designated funds 2021	Restricted funds 2021	Total 2021
	£	**£**	**£**	**£**	£	£	£	£
Fund balances at 31 March 2022 are represented by:								
Tangible assets	829,067	-	-	829,067	44,643	54,197	457,801	556,641
Current assets/(liabilities)	127,098	19,283	88,900	235,281	220,506	179,360	12,150	412,016
	956,165	19,283	88,900	1,064,348	265,149	233,557	469,951	968,657

The restricted fund balance represents cash set aside for various projects.

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020	Resources expended	Transfers	Balance at 1 April 2021	Resources expended	Transfers	Balance at 31 March 2022
	£	£	£	£	£	£	£
Capital Refurbishment - Toilets	29,823	(394)	-	29,429	(394)	(29,035)	-
Phase 2 Development Project	25,095	(327)	-	24,768	(327)	(24,441)	-
Building Development Fund	6,005	-	36,078	42,083	-	(22,800)	19,283
Mark Jon Bolderson Percussion Fund	1,205	-	-	1,205	(1,205)	-	-
Art with Heart	3,132	-	-	3,132	(3,132)	-	-
Dementia Friendly Activity	11,440	-	-	11,440	(11,440)	-	-
Children's Theatre Outreach	3,500	-	-	3,500	(3,500)	-	-
Arts Council Catalyst Match	55,000	(12,000)	-	43,000	(43,000)	-	-
Covid Reserve	-	-	75,000	75,000	(75,000)	-	-
	135,200	(12,721)	111,078	233,557	(137,998)	(76,276)	19,283

The Capital Refurbishment and the Phase 2 Development Funds represents funds previously set aside and expended for capital development, improvement and refurbishment of the Queens Hall. The resources expended represents the depreciation for the year on these designated fund fixed assets. These funds have now been transferred to unrestricted funds.

The Building Fund represents a provision set aside to finance larger periodical building maintenance and developments that are not carried out on an annual basis. Part of this reserve has been utilised to cover the increased costs during the development of the Studio.

The Art With Heart Fund represents income to support projects associated with the subject of bereavement.

Dementia Friendly Activity represents funds set aside for the purposes of helping those with Dementia and their families access the venue and arts activities.

Childrens' Theatre Outreach represents funds set aside for the purpose of support Children and families access theatre.

Arts Council Catalyst Match represents funds set aside for the purpose of supporting fundraising and communications activity.

M J Bolderson Percussion Fund – funding to support young people access percussion performances and activity

Covid Reserve - these funds were expended on mitigating the costs associated with reopening the venue including Covid security measures, restricted audiences, staff and volunteer training.

18 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

19 Cash generated from operations	**2022**	**2021**
	£	**£**
Surplus for the year	95,691	322,849
Adjustments for:		
Investment income recognised in statement of financial activities	(18)	(44)
Amortisation and impairment of intangible assets	721	721
Depreciation and impairment of tangible fixed assets	68,369	20,537
Movements in working capital:		
Decrease in stocks	900	2,600
(Increase)/decrease in debtors	(70,267)	3,847
Increase/(decrease) in creditors	54,276	(54,329)
Cash generated from operations	149,672	296,181

QUEENS HALL ARTS

England & Wales - Charity number 1088975

Accounts

Charity Registration No. 1088975

Company Registration No. 03929839 (England and Wales)

QUEENS HALL ARTS

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021



stokoerodger LLP
CHARTERED ACCOUNTANTS

QUEENS HALL ARTS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Rachel Adam Clare Forsythe Philip Garner Derek Kennedy Angeline Lucas Gary Lyons Susan Martin Anthony Newton Kathryn Nicholson David Pritchard Jonathan Tull Lynn Turner
Secretary	Katy Taylor
Charity number	1088975
Company number	03929839
Principal address	Beaumont Street Hexham Northumberland NE46 3LS
Registered office	Beaumont Street Hexham Northumberland NE46 3LS
Independent examiner	J Hart Stokoe Rodger LLP St Matthews House Haugh Lane Hexham Northumberland NE46 3PU
Bankers	Barclays Bank Plc Priestpopple Hexham Northumberland NE46 1PE
Solicitors	Nicholson Portnell Priestpopple House Hexham Northumberland NE46 1PL

QUEENS HALL ARTS

CONTENTS

	Page
Trustees' report	1 - 11
Independent examiner's report	12
Statement of financial activities	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 - 27

QUEENS HALL ARTS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities
The company's objectives are:-

To advance public education and appreciation of the arts in all their forms, particularly but not exclusively, for the benefit of the people in the Counties of Northumberland, Cumbria, Tyne & Wear and Durham through the provision, maintenance and management of Queen's Hall Arts Centre, Hexham and by any other charitable means that the trustees may from time to time think fit.

In 2016 a new mission statement was agreed by the Trustees. This informed delivery subsequently provided the structure for successful medium-term funding bids to Arts Council England and Northumberland County Council.

OUR MISSION is to be the creative heart of the community delivering great arts experiences and supporting professional and aspiring artists.

THE CREATIVE HEART OF THE COMMUNITY

a. A welcoming and stimulating environment for all to experience a broad range of arts activities.
b. Theatre, studio and gallery spaces and other resources at the Queen's Hall Arts Centre for the presentation of work to the highest possible standard.
c. A focal point for cultural organisations where links and partnerships can be developed.
d. Engagement with the full diversity of our community.
e. Resources that can be easily accessed by a large rural catchment.

GREAT ARTS EXPERIENCES

f. A range of shows, exhibitions and other events that are both entertaining and stimulating.
g. High quality touring work from across the country (and beyond) that reflects the diversity and range of contemporary arts interests in Britain.
h. In-house and commissioned work that is informed by a relationship with the community.
i. Participatory activities that are fulfilling and develop skills.
j. Great events and other activities across West Northumberland (and beyond).

SUPPORTING PROFESSIONAL AND ASPIRING ARTISTS

k. Commissions, productions & co-productions.
l. Residencies.
m. Mentoring and other long-term support.
n. Training and skills development opportunities.
o. A high proportion of our work with and for young people.
p. Technical and organisational support for artists opening new productions.
q. Networking, collaborating and taking part in partnership initiatives.
r. Programming new and challenging work.
s. Contributing to a viable arts ecology, regionally and nationally.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Public benefit

Queen's Hall Arts is committed to the educational and social advancements that benefit from its activities and to making those activities as accessible as possible. We provide year round participatory activities both in community and educational settings. The artistic programme at the arts centre includes a range of events which reflect a wide variety of local interests, creating opportunities for audiences and performers. Our ticket pricing policy includes discounts to students, and those on low incomes. Exhibitions in the gallery are free. We provide and subsidise outreached events to small communities across a large part of Northumberland.

Achievements and performance

The annual report for 2020/21 is significantly different from previous reports as it covers the period of the Covid-19 global pandemic. Queens Hall Arts (QHA) closed their doors in mid-March 2020 and remained closed until it was legal, practical and financially viable to reopen in August 2021. The restrictions on venues opening and the availability of exhibitions and performances meant that QHA was closed to the public for the whole of the period covered by this annual report.

QHA is heavily reliant on earned income, from ticket sales, room hire and secondary spend and thus the organisation faced significant losses in 2020/21. To support QHA to weather the storm of Covid-19 a working group was created, meeting weekly online, comprised of trustees and staff.

To enable the working group to focus, QHA's mission was condensed to:

OUR MISSION is to be the creative heart of the community delivering great arts experiences, building creative partnerships, and supporting professional and aspiring artists.

We will provide a welcoming and stimulating environment for all to experience a broad range of arts activities, which are entertaining and engaging (both on and off-line).

We will engage fully with our diverse community and create resources that are accessible to a large rural catchment area.

We will present and commission work of the highest possible standard informed by our community.

The focus of the organisation during this financial year covered the following areas:

1. **Financial viability**
2. **Staying connected with our community and audiences**
3. **Supporting the creative sector in region**
4. **Presenting and commissioning quality artistic work**
5. **Planning the reopening of the arts centre**

The performance of QHA in 2020/21 will be assessed in line with these priorities.

Financial viability

Covid-19 had an immediate & devastating impact on QHA with the cancellation of all programming and events, resulting in significant immediate losses, including:

- Lost income from ticket sales for cancelled QHA performances, initially refunding ticket income amounting to over £72K. There was a second wave of cancellations in June 2020 amounting to over £16K.
- Lost income through sponsorship from local businesses, up to £3000 per quarter.
- Lost income from bar & ice cream sales, including Hexham Book Festival, which is one of the busiest events, normally attracting around 7500 visitors to the building (over £7K per quarter).
- Lost hire fees & recharges from all community & amateur group performances, which amounts to a significant income stream over the summer period (£13K in Quarter 1 2019/20).
- Lost franchise income from QHA café and reduced rental income from creative businesses based in the building.
- Lost ticket income from future performances, including Christmas 2020 production which would have gone on sale from Easter 2020.
- Lost income from all paying groups accessing regular cultural classes, clubs & all one-off workshops.
- Lost income from front-of-house and gallery sales.

It was obvious that that the working group needed to mitigate these financial losses and build reserves to support the reopening of QHA and ensure a viable future for the organisation.

To these ends, QHA were able to use the government's Job Retention Scheme to support staff whose roles were operational, including box office, technical and outreach. The Artistic Director/CEO and the General Manager were the only staff who were not placed on the furlough scheme, and continued to work from home. As the furlough scheme was developed QHA used flexi-furlough to bring back some staff for particular projects or tasks.

QHA also reviewed all non-essential expenditure and made savings on utilities costs by switching lighting and heating suppliers, as well as cancelling non-essential services such as waste collection. QHA were also able to raise over £4,400 from donations, mainly through converted ticket sales.

The next strategic stage was for QHA to apply for grant support and this included successful bids to:

- Arts Council England (ACE) Emergency Response Fund £36,428 (July 2020)
- ACE Culture Recovery Fund Round 1 £147,563 (October 2020) which included funds to build reserves to replace those used early in the pandemic as well as build reserves to help support QHA through an uncertain future.
- ACE Culture Recovery Fund Round 2 £71,764 (March 2021)
- NCC Covid-19 Business Grant £25K
- Garfield Weston Foundation £50K to support core funding
- Power to Change Covid Grant £25K
- £10K pilot funding for Animating Hexham.
- The Kellet Fund/The Wellesley Trust Fund at the Community Foundation serving Tyne and Wear and Northumberland provided grants of £19,430
- ACE Studio Grant of £14,576 awarded for the QHA Opening Project
- ACE and Future Arts Centre funding of £12K marking the National Lottery's 25th birthday

During 2019, QHA secured £206,000, from ACE, towards a £275,000 capital project to address issues with the building which negatively impact on accessibility, programming and financial sustainability. The capital project, *Opening Doors,* focused on the studio theatre, backstage and circulation spaces. There was limited access to our studio space, inadequate circulation for wheelchairs and poor signage and other requirements for people with other disabilities, and no disabled access at all to our stage door and main stage area. *Opening Doors* addressed all of these issues through a programme of capital works to enable QHA to welcome everyone into the building and to offer a diverse range of programming. Work was due to commence in the Summer of 2020 but was inevitably impacted by Covid19 in terms of both securing match funding and implementing the capital works.

After an initial period of stabilisation, QHA recommenced work on this project (new completion date October 2021), with successful applications to ACE (Capital Kickstart Fund) £30,651 and Foyle Foundation £25,000 for match funding.

Through the focused activity on financial sustainability, QHA have been able to remain financially viable and build reserves to support the organisation into the future

Staying connected with our community and audiences

Despite enforced closure of the venue throughout 2020/21 QHA has continued to offer programmes of activity for communities, many reaching beyond those able to engage with culture digitally. By delivering via phone and post as well as online, QHA have ensured that some of the most vulnerable communities are supported to maintain social connections and active involvement in creative activity.

QHA continued to support 3 youth theatre groups, Tam Lin Youth Folk Band and 3 youth music projects in partnership with Hexham based Core Music.

The Projectors is the regular youth theatre for young people aged between 16 and 25 years with Autism Spectrum Disorder (ASD) and/or communication difficulties, funded by The Wellesley Trust Fund. The group took well to Zoom, working on whole-group activities as well as in smaller groups. The group focused on writing a new piece, which was rehearsed, filmed and uploaded onto the QHA website and will be performed live when the venue reopens

Members of QHA's Youth Theatre groups engaged with 'Lockdown', an online project exploring young peoples' experiences of being locked down in a rural county. The group have written/devised their own piece of work which was filmed. In addition, youth theatre started the Cultural Conversation project. In partnership with Hexham Book Festival, QHA youth theatre connected with Latvian youth theatre students as the 1st phase of a 3-year project.

QHA's Creative Age project was delivered through a combination of online workshops and posted-out activity packs. The primary aim of the project remained to reach out to and engage with older people (age 50+) at risk of loneliness and isolation. The project has become even more valuable to regular participants during the pandemic as many are vulnerable due to age and/or underlying health conditions and are unable/unwilling to leave their homes. Creative Age provides a lifeline in terms of links to others and regular weekly activities, as well as providing a sense of purpose in relation to making and sharing (virtually) items made with others.

Following the success of their previous writing courses for young people, Queen's Hall Arts and Hexham Book Festival teamed up to offer five free on-line masterclasses. The line-up included song-writing, poetry and prose. The young people went on to be mentored and supported in recording their own work.

The community engagement element of Animating Hexham, a pilot project delivered in partnership with Northumberland County Council and Historic England, commenced at the end of this financial year with the selection the 6 animation commissions and recruitment of community animators.

Supporting the creative sector in the region

QHA was well positioned to maintain, establish and develop cross-sector partnerships, contributing to the rebuilding of our economy and communities through activity supporting employment, education, mental health and town centre vibrancy.

QHA has continued to employ over 15 freelance creative professionals to deliver sessions and services including songwriter, fundraiser, marketing support and workshop leaders. In addition, our digital platform commissioned 12 artists and Christmas with the Hobs provided that work for 11 creative professionals from the North East including an animator, actors, producer and musical director.

Throughout this year QHA has not only maintained existing networks, but strengthened them:

- As the chair of Hexham Cultural Network, QHA has played a key role in bringing together the cultural organisations within the area to support one another and share best practice during the pandemic.
- QHA has taken on the cultural lead on the delivery of the Hexham Highstreet Heritage Action Zone in partnership with Northumberland County Council.
- QHA continues to work in partnership with the Bait, Creative People and Place projects in South-East Northumberland.
- Part of the Made in the North East consortium, co-ordinated by Dance City and which has funding by Esme Fairbairn Foundation. QHA has worked with 7 partner organisations to commission new dance performances.
- Northumberland Theatres - working together to share best practice and programming.
- The Future Arts Centres initiative has brought together arts centres across the country to support each other during the pandemic.
- Northumberland Commissioning Hub: QHA has worked with Alnwick Playhouse, funded by ACE, to commission a new Christmas play for 2022.

Presenting and commissioning quality artistic work

2018/19 saw QHA create the organisation's first in-house Christmas Production. This is part of 5-year strategic plan which focuses on Christmas productions and creates opportunities to generate earned income and reach a broad audience, particularly people who are traditionally low engagers with theatre and the arts. The first production, A Viking Christmas, provided work for 12 performers/creative professionals from the North. In 2020/21, Northumberland Commissioning Hub, commissioned a writer to create the script for the 2021 Christmas production.

With no opportunity to present a Christmas production on the stage in 2020, QHA worked in partnership with Alnwick Playhouse and Berwick Maltings to created their first animation project – *The Hobs at Christmas*. For QHA alone this resulted in engagement with 20 schools, 1 care home, the Great North Children's Hospital and over 1500 views from the general public. 65% of bookings were from NE postcodes, others were from as far afield as Belfast, Inverness, Wales and Brighton, Montreal, California, Prague and Barcelona.

QHA and ARC Stockton co-commissioned Kitchen Zoo to make 8 online episodes for families available over the Easter Holidays 2021. Bumbling About is a series of pocket-sized online stories and crafts about busy bees aimed at 3-7 year olds and their families

Unsung Heroes was QHA's contribution to Here and Now, a national and local celebration of culture within communities. 40 brand new projects took place in and around 40 arts centres across the country, led by artists and co-created with local people.

The QHA project was supported by ACE and Future Arts Centres, marking The National Lottery's 25th birthday. For it, songwriter Bridie Jackson worked with communities in and around Hexham to collect stories about the everyday people who have inspired them. These stories were transformed into song and recorded by local musicians. This project will culminate in 'mini gigs' wherever they are simply by pointing their camera phone at a postcard which will make the musicians pop up to perform the songs on a 'postcard stage'. As well as a smartphone app, there will also be an interactive exhibition at the Queen's Hall in early 2022.

Planning reopening of the arts centre

Throughout 2020/21 QHA have refined plans to reopen the venue for performances, exhibitions and groups. This planning has been adapted in response to government guidance and the customer feedback, both from QHA and national research. The QHA plans to reopen in 3 phases:

PHASE 1(May/July 2021) Staff and building prepared for reopening.

- Using flexi-furlough to bring staff back to undertake specific tasks
- Update staff training
- Strategic planning days for staff team
- Prepare building for COVID secure re-opening
- Blended working for office-based staff
- Welcoming back plan for audiences

PHASE 2 (August 2021)

- Volunteer induction and training
- Plan to reopen bar and front of house sales
- Small-scale exhibition in Gallery 1
- Showcase events working in partnership with English Folk Expo.
- Data collection to support audience development plan

PHASE 3 (Sept 2021)

- All staff return to contract hours
- Seasonal programme of events, exhibitions and workshops fully launched.
- Season launch
- Detailed timeline for Audience Development plan

Financial review

The income and expenditure account on page 12 shows a surplus of £232,947 on unrestricted funds of total income to total resources expended. Designated funds shows a surplus of £98,357 for the year. The Restricted and Designated funds will cushion the financial impact of the long lasting effects of the global pandemic. This will also ensure that QHA does not become vulnerable to short and medium term spending cuts.

Risk Assessment

The Trustees to conduct an annual risk management review and put in place any required plans or procedures. As licensed premises the Queen's Hall is subject to regular inspection from statutory and other regulatory bodies to ensure compliance and good practice in a number of areas including health and safety, environmental heath, and management of performing rights. Financial reports are produced by management on a quarterly basis and presented to board meetings. These reports are also subject to scrutiny by the Finance and Risk Committee.

Reserves policy

During this exceptional year the board has built reserves beyond the usual as laid out in historic reserves policy. These additional reserves will protect the organisation during the uncertainty of reopening and welcoming audiences back. The board recognise that will be continuing impacts from the pandemic beyond 2021 including booking and spending patterns, additional staff training and covid security expenses, as well as restrictions or reductions in public funding. In order to ensure that QHA remains financially viable in the medium term, the board viewed it as prudent to build additional reserves.

Plans for the future

The major challenge for QHA will be the period between re-opening and rebuilding earned income to previous levels, which we expect to take up to two years. QHA can make a huge contribution to the recovery of our community. The breadth of our programmes, including live performance, creative learning activities, festivals, exhibitions and community-led events, enables the organisation to engage people from across the demographic spectrum. QHA has a wide reach across the North East both in terms of networking and also working in partnership with culture and heritage. QHA can also act as an incubator for creative talent, supporting many freelance artists and practitioners to develop and share their practice.

Our future plans include:

- Investing in staff both in terms of training and to share staff expertise with Northumbrian theatres.
- Re-engaging with audiences, building new audiences and ensuring the organisation is resilient.
- Continuing to invest in the building to upgrade facilities and services, as well as keeping up to date with regular maintenance.
- Evaluating delivery to inform future engagement strategy.
- Creating a clear strategy for the activity that will be delivered in the new Studio Theatre and using this delivery to help shape the business plan in future years and support our audience development plans.
- Contining investment into in-house productions. These will allow QHA to continue to claim Theatre Credits, develop the skills within the organisation to produce new work and provide opportunities for regional artists and performers.
- Increasing levels of earned income by exploring opportunities for building hire, bar sales and art sales.
- Contining to expand on the Digital programme, with a particular focus on the Unsung project which brings together song-writing and augmented reality.
- Delivery of the Hexham Heritage Highstreet Action Zone 3-year cultural programme within the community.
- Work with the rural film clubs to increase our impact the rural hinterland by developing screened performances.
- Seeking funding to develop projects that focus on community creativity, wellbeing and mental health.

Structure, governance and management

Queens Hall Arts is a company limited by guarantee governed by its Memorandum and Articles of Association dated 2009. It is registered as a charity with the Charity Commission. There are currently 8 members, each of whom agree to contribute £1.00 in the event of the charity winding up. The members are also the directors of the limited company.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Simon Frith	(Resigned 25 January 2021)
Andrew Harvey	(Resigned 24 January 2021)
Susan Martin	
David Pritchard	
Kathryn Nicholson	
Philip Garner	
Jonathan Tull	
Derek Kennedy (NCC)	
Antony Newton	(Appointed 25 January 2021)
Clare Forsythe	(Appointed 25 January 2021)
Rachel Adams	(Appointed 13 July 2021)
Angeline Lucas	(Appointed 13 July 2021)
Lynn Turner	(Appointed 13 October 2021)
Gary Lyons	(Appointed 13 October 2021)

The appointment of trustees is set out in the Articles of Association:-
Nominated Member:-
1 by Northumberland County Council - (NCC)
Elected Members:-
Between 4 and 11 Members by resolution in a general meeting and/or co-opted at a meeting of the Board.

The recruitment of new members is periodically undertaken by the Board, which follows an open and fair recruitment process taking due account of the skills needed by the company and the desire for its membership to reflect the diversity of the local population.

Nominees appointed by the local authority are subject to the appointment processes of this body and the guidelines on appointment to public office as they apply to local government nominees.

The Board of directors, which can have between 5 -12 members, administers the charity. The Board meets approximately every 2 months and there are committees covering Finance & Risk, Operations and External Relations which meet regularly. Additionally there are working groups which act in an advisory capacity. A chief executive, the Artistic Director, is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Artistic Director has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and artistic programme.

The charity has a close relationship with Northumberland County Council and Arts Council England. These two bodies provide essential core funding to the company. Ongoing funding is subject to annual reviews and agreements on performance targets.

The Queen's Hall, where the bulk of the company's activities take place, is leased from Northumberland County Council, at a peppercorn rent.

The company operates sub-leases at the Queen's Hall: -

To Customer Services, Northumberland CC.

To cafe operators, which under the terms of its lease is required to provide agreed levels of service to arts centre users (in addition to its independent commercial operations).

To small start-up companies in the Creative Spaces area.

There is no structural connection between the companies.

Asset cover for funds
Note 17 sets out an analysis of the assets attributable to the various funds and a description of those funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

The trustees' report was approved by the Board of Trustees.

Jonathan Tull
Chair
10 December 2021

QUEENS HALL ARTS

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF QUEENS HALL ARTS

I report to the trustees on my examination of the financial statements of Queens Hall Arts (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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 that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements 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 financial statements 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 financial statements to be reached.

J Hart
Stokoe Rodger LLP

St Matthews House
Haugh Lane
Hexham
Northumberland
NE46 3PU

Dated: 10 December 2021

QUEENS HALL ARTS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds	Designated funds	Restricted funds	Total 2021	Total 2020
		£	£	£	£	£
Income and endowments from:						
Grants and donations	**2**	603,639	-	60,406	664,045	351,590
Operation of arts services	**3**	61,896	-	-	61,896	380,726
Investments	**4**	44	-	-	44	116
Other income	**5**	8,232	-	-	8,232	25,846
Total income and endowments		673,811	-	60,406	734,217	758,278
Expenditure on:						
Raising funds	**6**	-	12,000	16,850	28,850	19,097
Charitable activities	**7**	329,786	721	52,011	382,518	698,531
Total resources expended		329,786	12,721	68,861	411,368	717,628
Net incoming/(outgoing) resources before transfers		344,025	(12,721)	(8,455)	322,849	40,650
Gross transfers between funds		(111,078)	111,078	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		232,947	98,357	(8,455)	322,849	40,650
Fund balances at start of financial year		32,202	135,200	478,406	645,808	605,158
Fund balances at end of financial year		265,149	233,557	469,951	968,657	645,808

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

QUEENS HALL ARTS

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**10**		556,641		577,899
Current assets					
Stocks	**11**	900		3,500	
Debtors	**12**	42,248		46,095	
Cash at bank and in hand		443,564		147,339	
		486,712		196,934	
Creditors: amounts falling due within one year	**13**	(74,696)		(129,025)	
Net current assets			412,016		67,909
Total assets less current liabilities			968,657		645,808
Income funds					
Restricted funds	**15**		469,951		478,406
Designated funds			233,557		135,200
Unrestricted funds			265,149		32,202
			968,657		645,808

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 10 December 2021

Jonathan Tull
Trustee

Company Registration No. 03929839

QUEENS HALL ARTS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities					
Cash generated from operations	**19**		296,181		54,814
Investing activities					
Investment income received		44		116	
Net cash generated from investing activities			44		116
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			296,225		54,930
Cash and cash equivalents at beginning of year			147,339		92,409
Cash and cash equivalents at end of year			443,564		147,339

1 Accounting policies

Company information

Queens Hall Arts is a private company limited by guarantee incorporated in England and Wales. It is registered as a charity with the Charity Commission. The registered office is Beaumont Street, Hexham, Northumberland, NE46 3LS.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and “Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)” (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees, having regard to the nature, size and complexity of the charity, have assessed the financial risks affecting the charity and its operations for the 12 months from approval of the accounts, taking into account the core funding from Northumberland County Council being renewed annually and the core funding from Arts Council England being agreed until 2020/21, and thus consider it appropriate to prepare accounts on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt.

Grants are recognised in full in the financial period to which it relates, in accordance with the offer letter from the appropriate funding body.

1 Accounting policies **(Continued)**

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under the headings that aggregate all costs to that category. Charitable activity costs includes expenditure relating to the operation of the theatre and art centre and includes both the direct costs and support costs relating to these activities. Support costs include central function expenditure. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold property improvements	Over the length of the lease or 10% per annum straight line
Plant and machinery	25% per annum straight line
Fixtures, fittings & equipment	25% per annum straight line

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity only has financial assets and 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.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Grants and donations

	Unrestricted funds	Designated funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£	£
Donations and gifts	11,439	-	-	11,439	34,793
Grants receivable for core activities					
- Northumberland County Council	98,528	-	-	98,528	92,915
- Arts Council England	120,321	-	-	120,321	118,147
Other project income	50,000	-	60,406	110,406	100,876
Other	-	-	-	-	3,660
Job Retention Scheme Support	87,616	-	-	87,616	1,199
Covid Support from Government, Local Authorites and other bodies	235,735	-	-	235,735	-
	603,639	-	60,406	664,045	351,590
For the year ended 31 March 2020	230,032	84,220	37,338		351,590
Other Project Income					
Garfield Weston Foundation	50,000	-	-	50,000	-
The Kellet Fund/The Wellesley Trust Fund at the Comminuity Foundation	-	-	19,430	19,430	20,500
ACE Studio Grant	-	-	14,576	14,576	-
Here and Now	-	-	12,000	12,000	-
ACE Recovery Grant Money	-	-	10,000	10,000	-
Grants < £10,000 (See Note 15)	-	-	4,400	4,400	16,838
Arts Council Catalyst Match	-	-	-	-	63,302
Designated < £10,000 (See Note 16)	-	-	-	-	236
	50,000	-	60,406	110,406	100,876
Covid Support from Government, Local Authorities and other bodies					
NCC Covid-19 Business Grants	41,500	-	-	41,500	-
Art Council England Emergency Responce Fund	36,428	-	-	36,428	-
Power to Change Covid Grant	25,000	-	-	25,000	-
Culture Recovery Fund Round 1	132,807	-	-	132,807	-
	235,735	-	-	235,735	-

3 Operation of arts services

	Ticket sales and commission	Theatre and room hire and library service charges	Front of house sales and commission	Recharge income	Total	Total
	2021	2021	2021	2021	2021	2020
	£	£	£	£	£	£
Sales within charitable activities	7,182	54,655	10	49	61,896	380,726

For the year ended 31 March 2020

	Ticket sales and commission	Theatre and room hire and library service charges	Front of house sales and commission	Recharge income	Total 2020
	£	£	£	£	£
Sales within charitable activities	227,820	90,715	54,267	7,924	380,726
Analysis by fund					
Unrestricted funds	227,820	90,715	54,267	7,924	380,726

4 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	44	116

5 Other income

	2021	2020
	£	£
Cafe franchise and service charges	732	25,846
Museum and Galleries Exhibition Tax Credits	7,500	-
	8,232	25,846

6 Raising funds

	Designated funds	Restricted funds	Total	Restricted funds
	2021	**2021**	**2021**	2020
	£	**£**	**£**	£
Fundraising and publicity				
Staff costs	12,000	16,850	28,850	18,476
Support costs	-	-	-	621
Fundraising and publicity	12,000	16,850	28,850	19,097
	12,000	16,850	28,850	19,097

7 Charitable activities

	2021	2020
	£	**£**
Staff costs	213,214	238,656
Depreciation and impairment	21,258	21,258
Operation of arts services - activities undertaken directly and support costs	145,546	436,117
	380,018	696,031
Governance costs	2,500	2,500
	382,518	698,531
Analysis by fund		
Unrestricted funds	329,786	645,632
Designated funds	721	19,737
Restricted funds	52,011	33,162
	382,518	698,531

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Art Centre Activities	13	14

Employment costs	2021 £	2020 £
Wages and salaries	198,898	225,763
Social security costs	7,413	11,139
Other pension costs	18,903	20,230
	225,214	257,132

Full time equivalent of these employees equated to 9 (2020 - 9).

There were no employees whose annual remuneration was £60,000 or more.

10 Tangible fixed assets

	Leasehold property improvements	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 April 2020	700,266	44,942	68,118	813,326
At 31 March 2021	700,266	44,942	68,118	813,326
Depreciation and impairment				
At 1 April 2020	154,570	41,616	39,241	235,427
Depreciation charged in the year	7,288	1,596	12,374	21,258
At 31 March 2021	161,858	43,212	51,615	256,685
Carrying amount				
At 31 March 2021	538,408	1,730	16,503	556,641
At 31 March 2020	545,696	3,326	28,877	577,899

All tangible fixed assets are used in furtherance of the Charity's Objects.

11 Stocks

	2021	2020
	£	£
Raw materials and consumables	900	3,500

12 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	12,431	11,586
Other debtors	29,817	34,509
	42,248	46,095

13 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	-	7,920
Trade creditors	8,600	21,704
Other creditors	9,836	27,266
Accruals and deferred income	56,260	72,135
	74,696	129,025

14 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £18,903 (2020 - £20,230).

15 Restricted funds

The income funds of the charity include restricted funds comprising the following balances of donations and grants held on trust for specific purposes:

		Movement in funds				Movement in funds				
	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 March 2021
	£	£	£	£	£	£	£	£	£	£	£
Capital Grant Funds	469,855	-	(6,027)	-	-	463,828	-	(6,027)	-	-	457,801
The Kellett Fund/The Wellesley Trust Fund at the Community Foundation serving Tyne & Wear and Northumberland	2,500	20,500	(12,672)	-	-	10,328	19,430	(19,758)	-	-	10,000
Catalyst Evolve, Arts Coucil England	19,097	-	(19,097)	-	-	-	-	-	-	-	-
ACE - Studio Grant	-	-	-	-	-	-	14,576	(14,576)	-	-	-
Reach - Audience Development	-	-	-	-	-	-	3,000	(3,000)	-	-	-
Start	-	1,198	(1,198)	-	-	-	900	-	-	-	900
Journey to Jordon	1,875	-	(1,875)	-	-	-	500	(500)	-	-	-
The 1989 Willian Charitable Trust	-	3,000	-	-	-	3,000	-	(3,000)	-	-	-
Shears Foundation	-	1,990	(1,990)	-	-	-	-	-	-	-	-
Theatre Tickets for Kids	-	1,750	(500)	-	-	1,250	-	-	-	-	1,250
Future Arts Centres' Travel Grant	-	500	(500)	-	-	-			-	-	-
Sunderland Culture	-	5,000	(5,000)	-	-	-	-	-	-	-	-
HCP Vikings	-	3,400	(3,400)	-	-	-	-	-	-	-	-
Here and Now	-	-	-	-	-	-	12,000	(12,000)	-	-	-
ACE Recovery Grant Money	-	-	-	-	-	-	10,000	(10,000)	-	-	-
	493,327	37,338	(52,259)	-	-	478,406	60,406	(68,861)	-	-	469,951

15 Restricted funds **(Continued)**

The capital grants from Northumberland County Council and Tynedale District Council, including the new Creative Spaces funds, together with phase one and two income, are for long term development, improvement and refurbishment of the Queens Hall. The resources expended represents the depreciation charge for the year on the these restricted fund fixed assets. All capital funds are represented by capital assets.

The Kellett Fund/The Wellesley Trust Fund at the Community Foundation serving Tyne & Wear and Northumberland - This represents grants received for the purposes of developing and delivering creative participatory projects in the community.

Catalyst Evolve, Arts Council England - This represents grant funding to expand fundraising capacity over a three year period.

Start - This represents income for the purposes of providing workshops and theatre tickets.

The 1989 Willian Charitable Trust - This represents grants received for the purposes of contributing to core costs to enhance and extend outreach and community work.

Shears Foundation - This represents grants received for the purposes of delivering creative environmental work in schools.

Theatre Tickets for Kids - This represents funding for the purposes of subsidising theatre tickets for schools in the local area.

Futures Arts Centres' Travel Grant - This represents funding for the purposes of of making connections to support international working.

Sunderland Culture - This represents grants received for the purposes of the production of "A Viking Christmas".

HCP Viking - This represents funding received for the purposes of the production of "A Viking Christmas".

ACE - Studio Grant - This was awarded for QHA Opening Doors Project which reconfigures the backstage, studio and dressing rooms to ensure they are accessible for performers, audiences and staff

Reach - Audience Development - This was funding to support marketing and outreach activity that reaches out to non-arts attenders.

Here and Now - ACE and Future Arts Centres funding to marking The National Lottery’s 25th birthday.

ACE Recovery Grant Money - funds to build reserves to replace those used early in the pandemic as well as build reserves to help support QHA through an uncertain future.

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds						
	Balance at 1 April 2019	Incoming resources	Resources expended	Balance at 1 April 2020	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£	£	£
Capital Refurbishment - Toilets	30,217	-	(394)	29,823	(394)	-	29,429
Phase 2 Development Project	25,422	-	(327)	25,095	(327)	-	24,768
Building Development Fund	6,005	-	-	6,005	-	36,078	42,083
Mark Jon Bolderson Percussion Fund	1,205	-	-	1,205	-	-	1,205
Art with Heart	7,868	236	(4,972)	3,132	-	-	3,132
Dementia Friendly Activity	-	15,682	(4,242)	11,440	-	-	11,440
Children's Theatre Outreach	-	5,000	(1,500)	3,500	-	-	3,500
Arts Council Catalyst Match	-	63,302	(8,302)	55,000	(12,000)	-	43,000
Covid Reserve	-	-	-	-	-	75,000	75,000
	70,717	84,220	(19,737)	135,200	(12,721)	111,078	233,557

The Capital Refurbishment and the Phase 2 Development Funds represents funds previously set aside and expended for capital development, improvement and refurbishment of the Queens Hall. The resources expended represents the depreciation for the year on these designated fund fixed assets.

The Building Fund represents a provision set aside to finance larger periodical building maintenance and developments that are not carried out on an annual basis.

The Art With Heart Fund represents income to support projects associated with the subject of bereavement.

Dementia Friendly Activity represents funds set aside for the purposes of helping those with Dementia and their families access the venue and arts activities.

Childrens' Theatre Outreach represents funds set aside for the purpose of support Children and families access theatre.

Arts Council Catalyst Match represents funds set aside for the purpose of supporting fundraising and communications activity.

M J Bolderson Percussion Fund – funding to support young people access percussion performances and activity

Art with Heart – funding reserved for activity around the subject of bereavement

Covid Reserve - these funds are designated to mitigate the costs associated with reopening the venue including Covid security measures, restricted audiences, staff and volunteer training.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Analysis of net assets between funds

	Unrestricted funds 2021	**Designated funds 2021**	**Restricted funds 2021**	**Total 2021**	Unrestricted funds 2020	Designated funds 2020	Restricted funds 2020	Total 2020
	£	**£**	**£**	**£**	£	£	£	£
Fund balances at 31 March 2021 are represented by:								
Tangible assets	44,643	54,197	457,801	556,641	59,153	54,918	463,828	577,899
Current assets/(liabilities)	220,506	179,360	12,150	412,016	(26,951)	80,282	14,578	67,909
	265,149	233,557	469,951	968,657	32,202	135,200	478,406	645,808

The restricted fund balance is made up of the cash expended on the capital development of the Queens Hall and cash set aside for other projects.

18 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

19 Cash generated from operations	**2021**	**2020**
	£	**£**
Surplus for the year	322,849	40,650
Adjustments for:		
Investment income recognised in statement of financial activities	(44)	(116)
Amortisation and impairment of intangible assets	721	721
Depreciation and impairment of tangible fixed assets	20,537	20,537
Movements in working capital:		
Decrease in stocks	2,600	-
Decrease/(increase) in debtors	3,847	(31,627)
(Decrease)/increase in creditors	(54,329)	24,649
Cash generated from operations	296,181	54,814