

Zion Arts Centre Limited (T/A Z-Arts)
Company Limited by Guarantee
Consolidated Financial Statements
31 March 2021

BEEVER AND STRUTHERS

Chartered accountant & statutory auditor
St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Financial Statements

Year Ended 31 March 2021

	Pages
Trustees' Annual Report (Incorporating the Director's Report)	1 to 6
Independent Auditor's Report to the Members	7 to 10
Consolidated Statement of Financial Activities (Including Income and Expenditure Account)	11
Consolidated Statement of Financial Position	12
Statement of Cash Flows	13
Notes to the Financial Statements	14 to 28

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year Ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the group for the year ended 31 March 2021.

Reference and Administrative Details

Registered charity name	Zion Arts Centre Limited (T/A Z-Arts)
Charity registration number	1093556
Company registration number	04101324
Principal office and registered office	335 Stretford Road Hulme Manchester M15 5ZA

The Trustees

S Armitage
A Lone
A Gill
J Longmore (Resigned 09 December 2020)
S Hiscock (Resigned 09 December 2020)
I Cecil
G Lister
R Fox
E Ransome
E Rowles (Appointed 08 June 2020)
F Bennett-Nielsen (Appointed 11 March 2021)
L Green (Appointed 11 March 2021)
N Noor (Appointed 11 March 2021)

Company Secretary	Elizabeth O'Neill
Auditor	Beever and Struthers Chartered accountant & statutory auditor St. George's House 215 - 219 Chester Road Manchester M15 4JE
Bankers	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	DWF LLP 5 Castle Street Liverpool L2 4XE

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Structure, Governance and Management

Governing document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 2nd November 2000 and as amended by two special resolutions dated 5th August 2010 and 15th March 2016. It is registered as a charity with the Charity Commission.

Persons are admitted to membership by the unanimous approval of the existing members. Members may cease to be members of the company by serving notice of their intention to resign.

There are currently twelve members of the company, each of whom agrees to contribute a sum not exceeding £1 in the event of the charity being wound up.

Appointment of directors and trustees

The first directors of the company were appointed on incorporation. The directors, who are the trustees, have the power to appoint any person who is willing to be a director either to fill a vacancy or as an additional director. The number of directors should not be less than four or more than sixteen. In addition, Manchester City Council has the power to appoint one director, a City Director, for every three non-city directors subject to the upper limit on the size of the Board.

Following a resolution of the board in 2010, directors are appointed for a term of three years after which they may apply for re-election. No director may remain in office for more than two terms unless a serving director is elected as chair in which case he or she may serve for a maximum of three terms before stepping down. All other directors (except City Council appointed Directors) must step down after two terms for at least one year before they can be re-elected as directors. Directors may not be removed from office except if they are disqualified (under the company rules) from continuing to act, if they have been appointed for a fixed term that is expired or, if they are a nominee of Manchester City Council if the Council resolves to remove them. The directors have no beneficial interest in the company and are not remunerated for any of the services they provide as directors of the company.

Related parties

None of the trustees receive remuneration or any other benefits from their trusteeship. Each year trustees complete a Conflict of Interest Statement and a Declaration of Commitment Statement. Any connection between a trustee or a senior manager and a company, institution or artist that Z-arts engages with must be stated in this form, or at a meeting if it occurs during the year. In this year we have appointed four new trustees including Cllr Emily Rowles, appointed by Manchester City Council, who lease the building to Z-arts and provide strategic core funding. Cllr Rowles also sits on the board of One Manchester.

Objectives and Activities

The charity's objectives are: -

To promote, maintain, improve, develop and advance public education and training in the arts for the benefit of, but not limited to, young people, by operating a centre for the presentation for the public of music, opera, dance, drama, the visual arts, films, video, multimedia, sound, exhibitions of all kinds as are conducive to the promotion, maintenance, improvement and participation in and advancement of education or to the encouragement of the arts, whether on premises owned or leased by the Company or elsewhere.

The Charity's main activities are: -

- The promotion and facilitation of arts events and activities for children, young people and families.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The charity relies on the voluntary services of the trustees, and on grants and the income from fees and charges to cover its operating costs. In setting the level of fees and charges the trustees give consideration to the accessibility to activities for those on low income.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Achievements and Performance

Z-arts offer in 2020/21 was predominantly moved online, with the building being closed due to the Covid-19 pandemic, following government restrictions, except for opening for five weeks for small socially distanced participation classes in the autumn, between lockdowns (note, Manchester had an additional lockdown in autumn 2020, compared to much of the rest of England). We were unable to open or provide classes again until April 2021.

Participation activities were offered online to all families who regularly attend Z-arts, as well as reaching more from further afield due to the lack of geographical restrictions. Over the course of the year over 16,000 people interacted with over 600 online activities, and we promoted 19 performances online with 1,182 audience interactions. We prioritised our support for independent artists, commissioning 17 new piece of theatre for young audiences and supporting 18 artists making new work for children in total. The Levi's studio sponsorship from 2017/18 continued, enabling the organisation to run additional digital music programmes for young people alongside its regular activities.

2020 /2021 was Z-arts third year as an Arts Council England (ACE) Band 2 National Portfolio (NPO), (£255,000 p/a). This funding was guaranteed and extended until April 2023 due to the pandemic.

Core funding from Manchester City Council (MCC) has also been extended until April 2022, and a second term of two-year core funding from Greater Manchester Combined Authorities (GMCA) was also agreed.

Government support from the Job Retention Scheme safeguarded 83% of jobs. This support, along with funding from the DCMA Culture Recovery Fund, sustains the long-term financial stability for the organisation.

Despite the pandemic, 2020/21 has strengthened Z-arts role as a national leader in creative practice for children and families. Alongside leading the Manchester Family Arts Network, which has twenty members throughout the city and the region-wide Big Imaginations network of twenty-one venues across the North West and Yorkshire who share a commitment to bringing brilliant children's theatre to the region; this year has seen a growth in activity for MADE, the Manchester Cultural Education Partnership which officially launched one week before lockdown in March 2020. Managed as a Z-arts project, this partnership worked with 15 schools and 23 cultural organisations who make up the core partnership, delivering 27 participation projects and reaching hundreds of local young people.

Z-arts mission to make a difference to the lives of some of the most disadvantaged children in Manchester was even more urgent during the pandemic, and we used digital activity as well as creating Creative Care packs and working with Manchester Food Banks to reach some of the most disadvantaged children and young people in the city, thereby improving their lives through increasing their mental and physical health and well-being.

Covid secure measures and building improvements

Z-arts have undertaken a number of measures to ensure that visitors to the building can return as safely as possible.

We have installed mechanical ventilation in the exhibition space and also revealed and restored some large windows to allow for natural ventilation. We have invested in a new environmentally friendly cleaning system (toucan eco) which enables us to clean spaces in a way that is safe for children and environmentally friendly. We have installed hand sanitisers around the building, screens at box office and introduced a keep left system to allow visitors to move around the building safely and we have invested circa £90k in a new toilet block with individual cubicles (to be completed July 21)

Terms of occupation and sub-letting of premises

The company occupies premises owned by Manchester City Council. The company has benefited from its occupation through its own use of the premises and through sub-letting part of the premises. We provide an affordable base for emerging artists and Creative SMEs to base themselves and produce new work. Our primary tenant is Sustained Theatre Up North (STUN) who inhabit our studio theatre on a ten-year sub-lease, supported by Arts Council England, until 1st November 2023.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Financial Review

The company has experienced a positive year financially, seeing total funds increase by 42% to £815,008 (2020: £573,458).

Total income fell by 13.5 % to £1,261,747 (2020: £1,458,944) . Donations and legacies increased as a result of ongoing support from Arts Council England, Manchester City Council and the GMCA along with support from the job retention scheme but earned income from box office, exhibition sales and venue hire fell to almost zero as the building remained closed for most of the year due to covid restrictions.

Total expenditure fell by 23.5% to £1,020,198 (2020: £1,333,802) Operational costs were lower as a consequence of the building remaining closed for most of the period although there were additional costs associated with making necessary alterations to make the building covid secure for reopening. Activities costs were much lower in the year with many activities suspended, however, the funds for creative activities have been protected and will take place in the coming year.

The restricted funding for the new theatre seats (purchased primarily through restricted grants from Renaker build ltd and the Foyle foundation) has been transferred to unrestricted funding in the year. This is because the funding terms have now been met, allowing the Charity to use the theatre seats on an unrestricted basis for charitable purposes.

Principle Risks and Uncertainties

The trustees have a risk management strategy which comprises a regular review of the risks the Company may face, the establishment of systems and processes designed to mitigate those risks and the implementation of procedures intended to minimise the impact on the Company should those risks materialise. This risk strategy has been updated to take account of the pandemic and is reviewed on a quarterly basis at board level.

This review has identified that financial sustainability could be an issue if another incident like the pandemic were to occur, as well as the previously identified risks such as if the Company lost one of its key income streams. Consequently, the Company has increased its contingency reserve to 8 weeks turnover, should the business no longer be viable (see 'Reserves Policy' below). Attention has also been focussed on non-financial risks, including building repairs and maintenance, which potentially impact the use of the building for revenue generating activities.

Whilst the Coronavirus pandemic resulted in the closure of the building and the associated loss of revenue, the Company has utilised all possible funding opportunities to ensure that we can continue to operate as a Going Concern.

Going Concern

Despite the impact of the Coronavirus pandemic on the 2020/ 21 operating plan, we have been able to continue to deliver to our objectives by moving all participation activities online, thereby reaching more people, as well as delivering craft packs to families by post and through food banks. During closure we have prioritized improving safety measures in the building, so that we were ready to reopen when government guidelines allowed.

The continued support of Arts Council England through NPO funding, MCC through its revenue grant funding and continued GMCA funding both this year and next, along with the Job Retention Scheme, backed by our current conservative budgeting and forecasting and substantial reserves has enabled us to maintain cashflow. After carefully considering the Company's financial position and prospects, the trustees have concluded that it is appropriate to adopt the going concern basis of preparation.

Zion Arts Centre Limited (T/A Z-Arts)
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 March 2021

Reserves Policy

Z-arts has been well supported through the pandemic by both the arts council and MCC, however we cannot assume such a level of support should a similar unforeseen situation arise. As a consequence, we have decided to increase the reserves target to aim for a free reserves figure equal to 8 to 12 weeks pre pandemic turnover which will provide greater financial resilience moving forward. 8 weeks pre pandemic turnover is calculated at £224,452 based on the previous years turnover.

Having reached our free reserves target, 50% of any additional unrestricted reserves will be allocated to a future capital project. A maximum of 20% surplus unallocated reserves will go towards staff incentive and retention schemes to help retain key staff. 30% will remain in unrestricted reserves for future creative projects, building maintenance, technical, youth-led projects.

At the end of the current financial year Z-arts free reserves stand at £256,239, £31,787 over the free reserves target. Of the year-end free reserves some of this has already been committed to capital spend on a new covid secure toilet block.

Despite the current uncertain economic environment, Z-arts continues to prioritise diversifying its funding streams through earned income, public bodies and private sponsorship to reduce reliance on any single source of income.

Plans for Future Periods

Z-arts have created a new business plan for 2021/22, entitled “To rebuild, restore and refresh, with a focus on well-being and family-togetherness”. 2021/22 is a year in which to recover from the pandemic, research new models and rebuild the organisation for a new, sustainable and viable future.

Z-arts is widely acknowledged for the role it plays as a major contributor to the recovery of the cultural sector, by providing training and development for children, young people, and artists at the start of their career.

Taking the successes of the last year ten years operation, the learnings and the positives from a year of lockdown and online delivery, and time to understand the changes in our operational landscape, we will use this year to rebuild our programme, restore audiences and participants, refresh our operations by trialling new business models, new artist-led programmes and income generation activities.

In 2020 we identified areas of need in the creative sector, and where we are best placed to support the sector’s growth; building on our track record of nurturing creativity in young people and refining how we support creative facilitators, as the next generation of artists.

2022 will see further testing and implementation of new business models, a revitalised website to reflect new focus areas, ready to be embedded into the 2023/26 Strategic Plan.

Meanwhile, core activities have restarted, including the partnership with Discover Children’s Story Centre in London, which brings Z-arts an immersive exhibition for children each year. “Tiger & Mog” is now extended until February 2022, and we have two family offers for Christmas, as well as plans to extend opening hours to include Sundays. A “Summer of play” will take place across the summer holidays with four separate outside family events and our diverse and exciting children’s theatre programme will restart in September.

Zion Arts Centre Limited (T/A Z-Arts)
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 March 2021

Trustees' Responsibilities Statement

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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. They 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

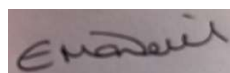
Small Company Provisions

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

The trustees' annual report was approved on 31 August 2021 and signed on behalf of the board of trustees by:



Graham Lister
Trustee



Elizabeth O'Neill
Company Secretary

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Independent Auditor's Report to the Members of Zion Arts Centre Limited (T/A Z-Arts)

Year ended 31 March 2021

Opinion

We have audited the group and the parent charity group financial statements of Zion Arts Centre Limited (T/A Z-Arts) (the 'charity') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the consolidated and charity statement of financial position, the consolidated and charity statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

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

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

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Independent Auditor's Report to the Members of Zion Arts Centre Limited (T/A Z-Arts) (continued)

Year ended 31 March 2021

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 (who are also the directors of the group and parent charitable company for the purposes of company law) 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.

Opinions on Other Matters Prescribed by the Companies Act 2006

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

- the information given in the trustees' report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on Which We are Required to Report by Exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Independent Auditor's Report to the Members of Zion Arts Centre Limited (T/A Z-Arts) (continued)

Year ended 31 March 2021

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees (who are also the directors of the group and parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws, regulations and guidance that affect the Charitable Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Companies Act 2006, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Trustees and reviewed correspondence and Trustee meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Trustees have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Trustees have in place to prevent and detect fraud. We enquired of the Trustees about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Trustees about actual and potential litigation and claims.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Independent Auditor's Report to the Members of Zion Arts Centre Limited (T/A Z-Arts) (continued)

Year ended 31 March 2021

- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of Our Report

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

Beever and Struthers

Sue Hutchinson
SENIOR STATUTORY AUDITOR

For and on behalf of Beever and Struthers, Statutory Auditor
St. George's House
215-219 Chester Road
Manchester
M15 4JE

Dated: 22 September 2021

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Consolidated Statement of Financial Activities (including income and expenditure account)

31 March 2021

		Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	797,070	-	797,070	577,355
Charitable activities	6	100,376	338,792	439,168	756,196
Investment income	7	1,348	-	1,348	2,489
Trading activities					
Commercial trading operations	8	24,161	-	24,161	122,904
		<u>922,955</u>	<u>338,792</u>	<u>1,261,747</u>	<u>1,458,944</u>
Expenditure					
Expenditure on charitable activities	9,10	816,554	181,306	997,860	1,212,010
Expenditure on raising funds:					
Commercial trading operations	8	22,338	-	22,338	121,792
Total expenditure		<u>838,892</u>	<u>181,306</u>	<u>1,020,198</u>	<u>1,333,802</u>
Net income/(expenditure) and net movement in funds		84,064	157,486	241,550	125,142
Transfers between funds		89,498	(89,498)	-	-
Net movement in funds		173,562	67,988	241,550	
Reconciliation of funds					
Total funds brought forward		<u>230,520</u>	<u>342,938</u>	<u>573,458</u>	448,316
Total funds carried forward		<u>404,082</u>	<u>410,926</u>	<u>815,008</u>	<u>573,458</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 28 form part of these financial statements.

Zion Arts Centre Limited (T/A Z-Arts)
Company Limited by Guarantee
Consolidated and Charity Statement of Financial Position
31 March 2021

		Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
Fixed assets					
Tangible fixed assets	15	232,202	261,615	231,227	259,731
Investments	16	-	-	100	100
		<u>232,202</u>	<u>261,615</u>	<u>231,327</u>	<u>259,831</u>
Current assets					
Stocks	17	1,855	4,890	-	-
Debtors	18	114,985	192,504	123,551	198,984
Investments	19	629,951	378,092	629,951	378,092
Cash at bank and in hand	19	100,918	64,533	93,695	59,643
		<u>847,709</u>	<u>640,019</u>	<u>847,197</u>	<u>636,719</u>
Creditors: amounts falling due within one year	20	<u>264,903</u>	<u>328,176</u>	<u>264,753</u>	<u>323,566</u>
Net current assets		<u>582,806</u>	<u>311,843</u>	<u>582,444</u>	<u>313,153</u>
Total assets less current liabilities		<u>815,008</u>	<u>573,458</u>	<u>813,770</u>	<u>572,984</u>
Net assets		<u>815,008</u>	<u>573,458</u>	<u>813,770</u>	<u>572,984</u>
Funds of the charity					
Restricted funds		<u>410,926</u>	<u>342,938</u>	<u>410,926</u>	<u>230,096</u>
Unrestricted funds:					
General		<u>294,584</u>	<u>230,520</u>	<u>293,386</u>	<u>342,888</u>
Spend on fixed assets		<u>109,498</u>	<u>-</u>	<u>109,498</u>	<u>-</u>
Total charity funds	21	<u>815,008</u>	<u>573,458</u>	<u>813,810</u>	<u>572,984</u>

The Trustees have prepared group accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the board of trustees and authorised for issue on and are
 signed on behalf of the board by:



G Lister
Trustee

The notes on pages 14 to 28 form part of these financial statements.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Statement of Cash Flows and Consolidated Statement of Cash Flows

Year ended 31 March 2021

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Cash flows from operating activities				
Net income/(expenditure)	241,549	125,142	240,634	124,893
<i>Adjustments for:</i>				
Depreciation of tangible fixed assets	56,913	45,296	56,005	44,434
Other interest receivable and similar income	(1,348)	(2,489)	(1,348)	(2,489)
<i>Changes in:</i>				
Stocks	3,035	2,357	-	-
Trade and other debtors	77,519	(38,298)	75,583	(37,025)
Trade and other creditors	(63,273)	(110,157)	(58,813)	(108,849)
Cash generated from operations	314,395	21,851	312,063	20,964
Interest received	1,348	2,489	1,348	2,489
Net cash used in operating activities	<u>315,743</u>	<u>24,340</u>	<u>313,410</u>	<u>23,453</u>
Cash flows from investing activities				
Purchase of tangible assets	(27,499)	(127,431)	(27,499)	(126,865)
Net cash used in investing activities	<u>(27,499)</u>	<u>(127,431)</u>	<u>(27,499)</u>	<u>(126,865)</u>
Net decrease in cash and cash equivalents	288,244	(103,091)	285,911	(103,412)
Cash and cash equivalents at beginning of year	442,625	545,716	437,735	541,147
Cash and cash equivalents at end of year	<u>730,869</u>	<u>442,625</u>	<u>723,646</u>	<u>437,735</u>

19

The notes on pages 14 to 28 form part of these financial statements.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2021

1. General Information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 335 Stretford Road, Hulme, Manchester, M15 5ZA.

2. Statement of Compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting Policies

Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Zion Arts Centre Limited (T/A Z-Arts) meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis

There are no material uncertainties about the charity's ability to continue, therefore, the accounts have been prepared on a going concern basis.

Going Concern

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

Basis of Consolidation

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has availed itself of Paragraph 4(1) of Schedule 1 of the Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the Charity's activities. A separate Statement of Financial Activities and income and expenditure account for the Charity has not been presented because the Trust has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting Policies *(continued)*

Fund Accounting

The charity has a number of restricted funds to account for in situations where a donor requires that a grant or donation must be spent on a particular purpose. All other funds are unrestricted income funds.

Designated funds are funds which have been allocated or designated for specific purposes by the company out of the unrestricted funds.

The funds held in each of these categories are disclosed in note 21.

Stock

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

Incoming Resources

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

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

Resources Expended

Expenditure is recognised when a liability is incurred.

Charitable activities include the expenditure associated with the operation of the charity, and include both the direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include the central functions that are not attributable to a single activity, rather providing the infrastructure that enables the activities to take place.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting Policies *(continued)*

Tangible Assets

All fixed assets are initially recorded at cost. Any fixed assets costing less than £500 are not capitalised but written off to revenue in the year of acquisition.

Depreciation is provided on the cost of tangible fixed assets in order to write off the over the expected useful life of the assets life on a straight line basis.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	25% straight line
Stun Studio	-	10% straight line
Static Equipment	-	33% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

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.

4. Limited by Guarantee

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 2nd November 2000 and as amended by two special resolutions dated 5th August 2010 and 15th March 2016. It is registered as a charity with the Charity Commission.

Persons are admitted to membership by the unanimous approval of the existing members. Members may cease to be members of the company by serving notice of their intention to resign.

There are currently eleven members of the company, each of whom agrees to contribute a sum not exceeding £1 in the event of the charity being wound up.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

5. Donations and Legacies - Charity

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Monetary donations	13,265	-	13,265
Donation from Trading Subsidiary	12,200	-	12,200
	<u>25,465</u>	<u>-</u>	<u>25,465</u>
Grants			
Manchester City Council	194,198	-	194,198
Greater Manchester Combined Authority	49,751	-	49,751
Arts Council	259,692	-	259,692
Covid-19 furlough grant	267,964	-	267,964
	<u>771,605</u>	<u>-</u>	<u>771,605</u>
Total	<u>797,070</u>	<u>-</u>	<u>797,070</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Monetary donations	47,685	-	47,685
Donation from Trading Subsidiary	20,500	-	20,500
	<u>68,185</u>	<u>-</u>	<u>68,185</u>
Grants			
Manchester City Council	204,420	-	204,420
Greater Manchester Combined Authority	49,750	-	49,750
Arts Council	255,000	-	255,000
	<u>509,170</u>	<u>-</u>	<u>509,170</u>
Total	<u>577,355</u>	<u>-</u>	<u>577,355</u>

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

6. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Venue hire, shared BO and gallery	4,930	-	4,930
Bar and catering sales	-	-	-
Project grants	47,247	338,792	386,039
Rents receivable	48,199	-	48,199
	<u>100,376</u>	<u>338,792</u>	<u>439,168</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Venue hire, shared BO and gallery	366,803	-	366,803
Bar and catering sales	220	-	220
Project grants	74,048	259,398	333,446
Rents receivable	55,727	-	55,727
	<u>496,798</u>	<u>259,398</u>	<u>756,196</u>

7. Investment Income - Charity

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	<u>1,348</u>	<u>1,348</u>	<u>2,489</u>	<u>2,489</u>

8. Commercial Trading Operations

Commercial trading operations relates to the trading subsidiary company Z-Arts Trading Limited, company number 8468095. The profit during the year ended 31 March 2021 was £1,823 (2020: £250).

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

9. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Salaries and employer's NIC	523,980	33,097	557,077
Activities costs	97,983	96,056	194,039
Other direct costs	11,812	358	12,170
Promotional costs	12,705	1,239	13,944
Training, recruitment, travel and motor	2,766	85	2,851
Professional fees	2,873	-	2,873
Bank charges and subscriptions	3,401	20	3,421
Property costs	135,872	11,664	147,537
Depreciation	18,127	38,786	56,913
Support costs	7,035	-	7,035
	<u>816,554</u>	<u>181,306</u>	<u>997,860</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Salaries and employer's NIC	518,055	58,023	576,078
Activities costs	286,991	62,312	349,303
Other direct costs	19,347	-	19,347
Promotional costs	29,714	59	29,773
Training, recruitment, travel and motor	15,930	1,358	17,288
Professional fees	5,096	-	5,096
Bank charges and subscriptions	6,687	-	6,687
Property costs	131,519	24,473	155,992
Depreciation	16,008	29,288	45,296
Support costs	7,150	-	7,150
	<u>1,036,497</u>	<u>175,513</u>	<u>1,212,010</u>

10. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total funds 2020 £
Salaries and employer's NIC	557,077	-	557,077	576,078
Activities costs	194,039	-	194,039	349,303
Other direct costs	12,170	-	12,170	19,347
Promotional costs	13,944	-	13,944	29,773
Training, recruitment, travel and motor	2,851	-	2,851	17,288
Professional fees	2,873	-	2,873	5,096
Bank charges and subscriptions	3,421	-	3,421	6,687
Property costs	147,537	-	147,537	155,992
Depreciation	37,673	19,240	56,913	45,296
Governance costs	-	7,035	7,035	7,150
	<u>971,585</u>	<u>26,275</u>	<u>997,860</u>	<u>1,212,010</u>

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

11. Net Income/(Expenditure)

Net (expenditure)/income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	56,913	45,296
Gains on disposal of tangible fixed assets	-	-
Operating Lease rentals	<u>46,028</u>	<u>46,263</u>

12. Auditors Remuneration

	2021	2020
	£	£
Fees payable to the external auditors for the audit of the financial statements	5,760	5,220
Fees payable to the external auditors for other services	<u>1,110</u>	<u>1,095</u>
	<u>6,870</u>	<u>6,315</u>

13. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	535,343	592,654
Social security costs	39,730	38,241
Pension costs	<u>8,797</u>	<u>9,091</u>
	<u>583,870</u>	<u>639,986</u>

The average head count of employees during the year was 33 (2020: 43). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Number of operations staff	15	18
Number of creative staff	5	5
Number of management staff	<u>5</u>	<u>5</u>
	<u>25</u>	<u>28</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

Key Management Personnel

Key management personnel are the trustees, the chief executive, general manager and creative and development manager. The total compensation paid to key management personnel for services provided to the charity was £199,521 (2020: £179,285).

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

14. Trustee Remuneration and Expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

15. Tangible Fixed Assets – Group

	Stun Studio £	Static Equipment £	Portable Equipment £	Theatre Seating £	Fixtures & Fittings £	Plant & Machinery £	Total £
Cost							
At 1 April 2020	227,866	53,592	200,690	120,201	4,020	-	606,369
Additions	-	1,465	3,649	-	-	22,385	27,499
Disposals	-	-	-	-	-	-	-
At 31 March 2021	227,866	55,057	204,339	120,201	4,020	22,385	633,868
Depreciation							
At 1 April 2020	143,104	48,345	150,668	501	2,136	-	344,754
Charge for the year	22,787	1,956	19,240	12,020	909	-	56,912
Release on disposals	-	-	-	-	-	-	-
At 31 March 2021	165,891	50,301	169,908	12,521	3,045	-	401,666
Carrying amount							
At 31 March 2021	61,975	4,756	34,432	107,680	975	22,385	232,202
At 31 March 2020	84,762	5,247	50,022	119,700	1,884	-	261,615

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

15. Tangible Fixed Assets – Charity

	Stun Studio £	Static Equipment £	Portable Equipment £	Theatre Seating £	Plant & Machinery £	Total £
Cost						
At 1 April 2020	227,866	53,592	200,690	120,201	-	602,349
Additions	-	1,465	3,649	-	22,385	27,499
Disposals	-	-	-	-	-	-
At 31 March 2021	227,866	55,057	204,339	120,201	22,385	629,848
Depreciation						
At 1 April 2020	143,104	48,345	150,668	501	-	342,618
Charge for the year	22,786	1,956	19,240	12,020	-	56,003
Release on disposals	-	-	-	-	-	-
At 31 March 2021	165,891	50,301	169,908	12,521	-	398,621
Carrying amount						
At 31 March 2021	61,975	4,756	34,432	107,680	22,385	231,227
At 31 March 2020	84,762	5,247	50,022	119,700	-	259,731

16. Investments - Charity

Analysis of investments at 31 March 2021 between funds

	Unrestricted Funds	Restricted Funds	Total funds	Total funds
	£	£	2021 £	2020 £
Other Investments				
UK Group undertakings	100	-	100	100

The investment represents 100% of the Ordinary Share Capital of 100 shares of £1 each of Z-Arts Trading Limited. Z-Arts Trading Limited is a wholly owned subsidiary of Zion Arts Centre Limited. The subsidiary company is incorporated in England and Wales. The principal activities during the year was the operation of a café bar.

17. Stock

	Group 2021 £	2020 £	Charity 2021 £	2020 £
Stock in hand	1,855	4,980	-	-

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

18. Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	80,371	155,472	81,683	155,916
Amounts owed by group undertakings	-	-	7,204	6,036
Other debtors	34,613	37,032	34,663	37,032
	<u>114,985</u>	<u>192,504</u>	<u>123,551</u>	<u>198,984</u>

19. Cash and Cash Equivalents

Cash and cash equivalents comprise the following:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Cash at bank and in hand	100,918	64,533	93,695	59,643
Short-term deposits	629,951	378,092	629,951	378,092
	<u>730,869</u>	<u>442,625</u>	<u>723,646</u>	<u>437,735</u>

20. Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	68,222	52,597	68,055	52,017
Social security and other taxes	11,936	19,343	11,953	15,213
Accruals and deferred income	184,745	256,236	184,745	256,336
	<u>264,903</u>	<u>328,176</u>	<u>264,753</u>	<u>323,566</u>

Deferred income

	£
Balance b/fwd at 1st April 2020	180,359
Released in the year	(68,383)
Deferred in the year	28,182
Balance c/fwd at 31 March 2021	<u>110,158</u>

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

21. Analysis of Charitable Funds

Unrestricted funds- Group and Charity

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
General funds	210,520	922,955	(838,892)	-	294,584
Theatre seating	-	-	-	109,498	109,498
Designated Fund:					
Big Imagination Festival	20,000	-	-	(20,000)	-
	<u>230,520</u>	<u>922,955</u>	<u>(838,892)</u>	<u>89,498</u>	<u>404,082</u>

Transfers of £109,498 from restricted to unrestricted funds represent the release of the restriction on Renakers and Foyle Foundation funds following purchase of the new theatre seating for the main auditorium.

Transfers of £20,000 to unrestricted general funds represent the release of the designation following purchase of the new theatre seating for the main auditorium.

Restricted funds – Group and Charity

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
Stun Capital grant	106,499	-	(28,786)		77,713
Paul Hamlyn	67,651	-	(7,050)		60,601
ABRSM Generation Z	6,376	-	(469)		5,907
Children in Need	-	38,111	(19,191)		18,920
Curious Minds MCEP	-	20,000	-		20,000
DCMS Recovery Fund	-	119,162	(63,753)		55,409
D'oyly Carte	-	3,500	-		3,500
FAC Here and Now	2,600	-	-		2,600
Family Arts Network	595	5,127	(3,153)		2,569
Foyle Foundation	20,000	-	-	(20,000)	-
MCEP	17,469	5,000	(7,657)		14,812
Granada Foundation	-	3,000	-		3,000
John Thaw	810	-	(800)		10
Levis Music Project	37,274	29,414	(14,669)		52,019
MCEP Manchester Venues	-	67,500	(23,242)		44,258
UK Theatres Trust	1,635	-	-		1,635
One Mcr – Tiger School	4,880	-	-		4,880
One Mcr – Family Jam	4,200	-	(800)		3,400
Renakers Seats	66,165	13,333	(10,000)	(69,498)	-
Santander Fund	-				
Thrive (Young Manchester)	6,784	9,123	(1,138)		14,769
Youth Music	-	25,522	(600)		24,922
	<u>342,938</u>	<u>338,792</u>	<u>(181,306)</u>	<u>(89,498)</u>	<u>410,926</u>

Transfers of £89,498 from restricted to unrestricted funds represent the release of the restriction on Renakers and Foyle Foundation funds following purchase of the new theatre seating for the main auditorium.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

21. Analysis of Charitable Funds *(continued)*

Unrestricted funds- Group and Charity

	At 1 April 2019 £	Income £	Expenditure £	Transfer	At 31 March 2020 £
General funds	169,263	1,199,546	(1,158,289)	-	210,520
Designated Fund					
Big Imagination Festival	20,000	-	-	-	20,000
	<u>189,263</u>	<u>1,199,546</u>	<u>(1,158,289)</u>	<u>-</u>	<u>230,520</u>

Restricted funds – Group and Charity

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
Stun Capital grant	135,285	-	(28,786)	106,499
Paul Hamlyn	79,228	-	(11,577)	67,651
ABRSM Generation Z	-	10,000	(3,624)	6,376
Children in Need 2017	741	34,723	(35,464)	-
1961 Charity	-	4,000	(4,000)	-
Future Arts Centre Here and Now	-	5,000	(2,600)	2,400
Family Arts Network	-	3,060	(2,465)	595
Start Funding	4,389	3,450	(7,839)	-
Foyle Foundation	-	20,000	-	20,000
Garfield Weston	-	15,000	(15,000)	-
Bauer Radio Cash 4 Kids	-	1,500	(1,500)	-
MCEP	-	20,000	(2,531)	17,469
Granada Foundation	-	3,000	(3,000)	-
John Thaw	-	810	-	810
Levis Music Project	5,194	68,632	(36,552)	37,274
UK Theatres Trust	-	5,000	(3,362)	1,635
One Mcr – World in a book	4,880	-	(4,880)	-
One Mcr – Tiger School	-	4,880	-	4,880
One Mcr – Family Jam	-	5,000	(800)	4,200
PRSF	820	4,250	(5,070)	-
Renakars Seats	26,666	40,000	(501)	66,165
Santander Fund	1,850	-	(1,850)	-
Thrive (Young Manchester)	-	9,123	(2,339)	6,784
Uni Construction Fund	-	1,970	(1,970)	-
	<u>259,053</u>	<u>259,398</u>	<u>(175,513)</u>	<u>342,938</u>

Stun Capital Grant

To re develop the studio into a fully equipped theatre studio and refurbish associated office space.

Paul Hamlyn

To support the CEO and the organisation to develop, commission and produce new work that reflects the diverse nature of family experience today.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2021

Restricted funds – Group and Charity (*continued*)

ABRSM Generation Z

To run Generation -Z music project for young people from Manchester.

Children in need

Grant to enable the provision of free weekly after school activities.

Curious Minds MCEP

To facilitate the Manchester Creative Education Partnership.

Diversifying Family Offer ACE G 4

Arts council grant to assist with audience development.

DCMS Recovery Fund

Grant to support the organisation through the pandemic.

D'oyly Carte

Grant to support the delivery of Z-arts Young Performers participatory arts activities.

FAC Here and Now

To fund a project with Company Chameleon in celebration of 25 years of the national lottery.

Family Arts Network

Grant to facilitate the running of a network of family arts organisations.

Foyle Foundation

Grant to support the provision of new theatre seating in the main auditorium.

MCEP

A Grant from MCC to facilitate the Manchester Creative Education Partnership.

Granada Foundation

Grant to support Big imaginations summer programme.

John Thaw

Grant to support creative facilitators.

Levis Music Project

To support the running of the Levis music studio.

MCEP Manchester Venues Recovery

Manchester venues contributions to fund Manchester Creative Education partnership.

UK Theatres Trust

To provide access and environmental improvements.

One Mcr – Tiger School

To enable local school children to visit the Tiger who came to tea exhibition.

One Mcr – Family Jam

To enable family music events in the café.

Renakers Seats

Grant to enable the provision of new theatre seating in the main auditorium.

Santander Fund

To provide arts activities for young people with specific access needs.

Thrive (Young Manchester)

Grant to fund a schools mental health project.

Youth Music

Grant to facilitate young people music project.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2021

22. Analysis of Group Net Assets between Funds

	Restricted Funds £	Unrestricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Tangible fixed assets	84,359	147,843	232,202	261,615
Current assets	326,567	256,239	582,806	311,843
Net assets	<u>410,926</u>	<u>404,082</u>	<u>815,008</u>	<u>573,458</u>

	Restricted Funds £	Unrestricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Tangible fixed assets	204,462	57,153	261,615	179,480
Current assets	138,476	173,367	311,843	268,836
Net assets	<u>342,938</u>	<u>230,520</u>	<u>573,458</u>	<u>448,316</u>

23. Operating Lease Commitments – Group and Charity

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

	2021 £	2020 £
Equipment		
Not later than 1 year	843	843
Later than 1 year and not later than 5 years	<u>2,319</u>	<u>3,162</u>
	<u>3,162</u>	<u>4,005</u>
Land and Buildings		
Not later than 1 year	-	45,000
Later than 1 year and not later than 5 years	-	-
	<u>-</u>	<u>45,000</u>

24. Related Parties

The charity has a close working relationship with Manchester City Council: this body nominates directors (see trustees annual report) and provides funding to enable the charity to carry out its charitable objectives. Income totalling £203,753 (2020: £224,420) has been received during the year. Expenditure totalling £45,295 (2020: £23,523) has been incurred with the related party during the year. The balance outstanding at the year end was £48,426 (2020: £71,167).

All the above fundraising was received either as core or grant funding. This income has been included in the financial statements under voluntary income and incoming resources from charitable activities. The above expenditure reflects invoiced costs in the year; it has been included in the financial statements under charitable expenditure.

The charity trustees were not paid or reimbursed expenses during the year and no charity trustee received any emolument or payment for professional or other services.

Zion Arts Centre Limited (T/A Z-Arts)

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2021

25. Capital commitments

In 2021 the charity contracted to refurbish the basement toilets at the theatre at a total cost of £76,745. As at 31 March 2021 there was an outstanding capital commitment of £76,745 which will be financed through restricted funds. The final payment for the refurbishment works was made in august 2021.

26. Analysis of changes in Net Debt

	At 1 April 2020	Cashflow	At 31 March 2021
	£	£	£
Cash at bank	63,764	37,154	100,918
Short-term deposits	378,092	251,859	629,951
Total Funds	<u>441,856</u>	<u>289,013</u>	<u>730,869</u>