

COMPANY REGISTRATION NUMBER: 04101324
CHARITY REGISTRATION NUMBER: 1093556

Zion Arts Centre Limited (T/A Z-Arts)
Company Limited by Guarantee
Consolidated Financial Statements
31 March 2022

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

Company Limited by Guarantee

Financial Statements

Year Ended 31 March 2022

	Pages
Trustees' Annual Report (Incorporating the Director's Report)	1 to 7
Independent Auditor's Report to the Members	8 to 11
Consolidated Statement of Financial Activities (Including Income and Expenditure Account)	12
Consolidated Statement of Financial Position	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 to 32

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

Company Limited by Guarantee

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

Year Ended 31 March 2022

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 2022.

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 (resigned 9 March 2022)
A Lone (appointed 9 March 2022)
A Gill
I Cecil (resigned 9 March 2022)
G Lister
R Fox (resigned 9 March 2022)
E Ransome
E Rowles
F Bennett-Nielsen
L Green
N Noor
A Barkatali (appointed 9 March 2022)
R Kapoor (appointed 9 March 2022)
L Wallwein (appointed 9 March 2022)

Company Secretary	E O'Neill
Auditor	Beever and Struthers Chartered accountant & statutory auditor One Express 1 George Leigh Street Manchester M4 5DL
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 2022

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.

- Z-arts uses creativity to inspire, enrich and enable children, young people and families to reach their potential and be the agents of change in their own lives.
- In Our Arts Centre in Hulme, in education, in communities, at home and across networks
- Developing Children, Young People, Educators, Artists and Family-togetherness

Based in Hulme, we are committed to supporting our local communities as well as reaching out across Greater Manchester and the North West. We operate from a large Edwardian building which includes a 230-seat theatre, gallery, recording studio, music room, dance studio, café and numerous other rehearsal / meeting rooms. But there is much more to what we do that is outside of the building.

We lead networks:

- Big Imaginations children's theatre network, bringing brilliant children's theatre to all areas of the North West
- MADE (Manchester Cultural Education partnership) with a vision to make Manchester a beacon for creative education, where the arts add magic to life experiences and learning for everyone.
- Manchester Family Arts Network, improving family provision across cultural venues in Manchester.

Our Five aims

Primary Aim: Children

Children, young people and families across Greater Manchester and the wider North will have greater influence over, and gain more creative skills through a wide-reaching multi-art-form enrichment programme

Secondary aims:

Performances

More, excellent performances for children and families will be available for audiences across the North

Audiences and participants

We will rebuild and grow existing audiences, with a greater number of diverse audiences engaging with and benefiting from our wide-ranging programme

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 2022

Artists

More diverse artists will be nurtured and supported to make excellent contemporary theatre, performance and arts activities for children and families, with more opportunities to share the work and learning regionally, nationally and internationally.

Organisation

To grow as a resilient, nationally respected, strategic lead delivering best practice in performance and participatory arts activities and events for children and families

Achievements and Performance

Z-arts ability to maximise its audience numbers in 2021/22 continued to be severely restricted by the ongoing Covid-19 pandemic, and social distancing measures. As audiences and participants were able to grow later in the year, by the end of 2021/22, Z-arts had achieved 64% of its target 'interactions' for the year. Participation targets performed considerably better at 88%.

Free arts participation classes opened first, with limited socially distanced numbers. We programmed 15 outdoor events in Hulme Park and Barracks Park as part of our Summer of Play activities, as well as 6 performances for the family programme at HomeGround (HOME). The Tiger & Mog Exhibition reopened, socially distanced until April 22. Indoor theatre season started again in September 2021

Through our Big Imaginations programme we supported audiences of 12,500 to attend children's theatre performances across the Big Imaginations network (but outside of Z-arts).

Z-arts mission to make a difference to the lives of some of the most disadvantaged children in Manchester was even more urgent as we come out of the pandemic, and we continued to prioritise community engagement for families, introducing Family Sundays in November; completing a project with Manchester Boys & Girls Clubs in Moss Side, Wythenshawe, Blackley and Oldham; and numerous Hulme community events. We worked with South Manchester Foodbank to supply arts materials and activities for 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.

Our increased support for artists making work for young people continued, with 198 artists engaged over the year, including our early years Xmas commission, the Gift by Touched Theatre and 4 shows that went on to tour: Sue & Sita by Ria Meeri Munchi, Aleiah's Adventure by Ros Norford, Family Vogue Ball by Darren Pritchard and STAN by Art With Heart; reaching over 5,500 audiences in total across 54 venues.

Z-arts continued to deliver best practice in creative education, leading the MADE Cultural Education Partnership, working with 27 schools and 28 cultural organisations to deliver creative projects to young people in Manchester.

2021 /2022 was Z-arts fourth year as an Arts Council England (ACE) Band 2 National Portfolio (NPO), (£259,692). This funding was guaranteed and extended until April 2023 due to the pandemic. We also received core funding from Manchester City Council (MCC) and Greater Manchester Combined Authorities (GMCA).

Government support from the Job Retention Scheme was phased out by June having safeguarded 83% of jobs. All staff are paid the national living wage.

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 SME's 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 2022

In this year MCC have invested heavily in the infrastructure of the building by installing a new roof along with a further £750,000 investment in environmental improvements such as solar panels and double glazing.

Financial Review

The Company has experienced a positive year financially; despite total funds decreasing by 4% to £781,712 (2021: £815,008) unrestricted funds increased by 27.5% to £515,366 (2021: £404,082) and free reserves (unrestricted reserves -unrestricted fixed assets-designated funds) increased by 11.5% to £285,668 (2021: £256,239)

Total income fell by 4.3% to £1,208,164 (2021: £1,261,747). Donations and legacies decreased by 34% as a result of the phasing out of support from the job retention scheme; we received continuing support from Arts Council England, Manchester City Council and the GMCA. Charitable activities income increased by 43% the majority of the increase coming from earned income from box office, exhibition sales and venue hire as the building reopened after the pandemic (albeit with continuing social distancing restrictions).

Total expenditure increased by 21.7% to £1,241,460 (2021: £1,020,198). This was largely down to greater activity costs as some of the projects that had been delayed from the previous year were able to take place and the building re opened to the public.

A new covid secure toilet block was built in the year at a cost of £88,214. This was paid for from a combination of our own reserves and restricted grants from MCC and DCMS. As the toilet block is now complete the restricted grant elements from MCC and DCMS have been transferred to unrestricted funds at year end and form part of the capital depreciation designated reserve.

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.

The latest review highlighted the risks around inflation and the substantial and ongoing utility price increases. MCC have invested in energy saving measures to the value of £750,000 and in January 23 we will be replacing the theatre lighting with LED lighting, however the full effect of these mitigations will not be known until later in the year.

Whilst the Coronavirus pandemic resulted in a reduction in attendance due to social distancing measures, and an associated loss of revenue, the Company has utilised all possible funding opportunities to increase reserves and ensure that we can continue to operate as a Going Concern.

Going Concern

The trustees have considered the ongoing impact of Covid19, inflationary pressures on both wages and utilities, and other current risks. 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.

This position has been informed by the following factors:

- The continued support of Arts Council England through NPO funding, MCC through its revenue grant funding and continued GMCA funding, backed by our current conservative budgeting and forecasting has enabled us to maintain cashflow and substantially increase reserves above the increased target set by trustees.
- Z-arts is considered to be a strategic lead for children in young people in Manchester and continues to demonstrate strong support through huge investment in the building.

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 2022

- The new partnership with Mountview theatre school guarantees room hire bookings well above the budgeted figure.
- The new children's library and the family escape room will open in October and November increasing footfall and earned income revenues.
- Z-arts continue to diversify their funding streams through earned income, public bodies and private sponsorship to reduce reliance on any single source of income.

Reserves Policy

Z-arts free reserves target figure should fall between 8 and 12 weeks of pre-pandemic annual turnover. The target figure and this policy will be reviewed annually at board level. Free reserves are calculated as unrestricted reserves minus Unrestricted fixed assets book value minus any other stated designated reserves.

Z-arts Reserve Policy prioritises the closure contingency of £162,172 ringfencing this amount first. A further reserve of £80,000 should be held as, a) a contingency in case of unforeseen loss or reduction of any revenue stream, b) funding being lost for any key projects to allow that project to continue for 6 months whilst alternative funding is sought c) a sum to be used as match funding to take advantage of any funding opportunities that may arise that would allow future creative projects and d) as a hedge against unexpected spending on budget lines (inflation, one off costs). These figures give a total reserve target of £242,172.

It is deemed necessary to hold a closure contingency to allow for the winding down of the charity should the organisation be forced to close for unforeseen circumstances.

Wind down staff calculations have been calculated at x3 months commitment to senior management staff salaries and statutory redundancy payments for other staff. A further figure accounts for 3 months of the annual overheads budget (excluding salaries) to allow the building to remain open to facilitate an orderly wind down.

Any reserves held over the target figure will allow for a negative budget to be set for the following year allowing more spend on key creative projects which further the charity's charitable aims.

Z-arts continue to diversify their funding streams through earned income, public bodies and private sponsorship to reduce reliance on any single source of income.

Following a positive financial performance our free reserves now stand at £285,668, £43k over our reserve target figure. The budget for the year 2022-2023 takes account of the surplus over and above the target figure and it is anticipated that the free reserves will fall back to the target figure in this financial year.

Plans for Future Periods

Z-arts have updated the business plan for 2022/23, entitled "To rebuild, restore and refresh, with a focus on well-being and family-togetherness".

Z-arts is seeing 2022-23 as a further interim year to recover from the pandemic, research new models and rebuild the organisation for a new, sustainable and viable future.

Z-arts will play a role as a major contributor to the recovery of the cultural sector, by facilitating creative and cultural networks and partnership models; and by providing training and development for children, young people, and artists at the start of their career. 2022 will see us continue to build this recognition both within Manchester, and nationally.

We will continue to use this year to rebuild our programme, restore audiences and participants, and strengthen operations by refreshing our partnerships and trialling new business models and income generation activities including installing a new children's library and a family escape room.

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 2022

A capital grant from the arts council is enabling us to upgrade the theatre lighting to LED in January 2023. This will mitigate the rise in energy costs to some degree as well as improving our environmental footprint.

A new partnership with Mountview theatre school sees Mountview running a foundation course in Musical theatre from Z-arts building

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

Structure, Governance, and Management

Z-arts is governed by a board of voluntary trustees, who employ a Chief Executive. There is a Senior Management Team of five. Decisions are made at Executive level, with decisions that have an impact on the business or a financial cost of over £2,000 being taken to trustee level. Annual budgets are set and agreed by the finance sub-committee and signed off by the board. The CEO Reports to the trustees on a quarterly basis, in addition there is a quarterly finance sub-committee and focus groups reporting to the trustees on specific initiatives as required. All trustee and staff roles follow safe and inclusive recruitment procedures. All salaries have been benchmarked against other Arts organisations to ensure that they are comparable and appropriate for the organisation. There is a thorough Terms of Reference for trustees and an induction procedure which was updated in August 2020.

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. Trustee Cllr Emily Rowles, was appointed by Manchester City Council as their designated representative on the board; Manchester City Council lease the building to Z-arts and provide strategic core funding. Cllr Rowles also sits on the board of One Manchester.

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.

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 2022

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:

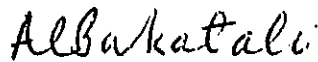
- ☐ so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ☐ they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware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

The trustees' annual report was approved on 9 September 2022 and signed on behalf of the board of trustees by:



Amy Barkatali
Treasurer



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 2022

Opinion

We have audited the group and the parent charity financial statements of Zion Arts Centre Limited (T/A Z-Arts) (the 'charity') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities (including income and expenditure account), Consolidated Statement of Financial Position, Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 and parent charity's affairs as at 31 March 2022 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 2022

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.

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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept, 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; or
- 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 directors' 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 2022

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 2022

Use of Our Report

This report is made solely to the charity'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 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 and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

Sue Hutchinson FCCA
SENIOR STATUTORY AUDITOR

For and on behalf of Beever and Struthers, Statutory Auditor
One Express
1 George Leigh Street
Manchester
M4 5DL

Dated: *30 November 2022*

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

Company Limited by Guarantee

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

31 March 2022

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Income and endowments					
Donations and legacies	5	525,513	-	525,513	797,070
Charitable activities	6	304,132	323,221	627,353	439,168
Investment income	7	608	-	608	1,348
Trading activities					
Commercial trading operations	8	54,114	-	54,114	24,161
Other Income	9	576	-	576	-
		<u>884,943</u>	<u>323,221</u>	<u>1,208,164</u>	<u>1,261,747</u>
Expenditure					
Expenditure on charitable activities	10,11	787,981	400,174	1,188,155	997,860
Expenditure on raising funds:					
Commercial trading operations	8	53,305	-	53,305	22,338
Total expenditure		<u>841,286</u>	<u>400,174</u>	<u>1,241,460</u>	<u>1,020,198</u>
Net (expenditure)/Income and net movement in funds		43,657	(76,953)	(33,296)	241,550
Transfers between funds		67,627	(67,627)	-	-
Net movement in funds		111,284	(144,580)	(33,296)	241,550
Reconciliation of funds					
Total funds brought forward		<u>404,082</u>	<u>410,926</u>	<u>815,008</u>	<u>573,458</u>
Total funds carried forward		<u>515,366</u>	<u>266,346</u>	<u>781,712</u>	<u>815,008</u>

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

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

Company Limited by Guarantee

Consolidated and Charity Statement of Financial Position

31 March 2022

		Group		Charity	
		2022 £	2021 £	2022 £	2021 £
Fixed assets					
Tangible fixed assets	16	258,913	232,202	258,629	231,227
Investments	17	-	-	100	100
		<u>258,913</u>	<u>232,202</u>	<u>258,729</u>	<u>231,327</u>
Current assets					
Stocks	18	6,580	1,855	-	-
Debtors	19	86,106	114,985	92,819	123,501
Investments	20	593,808	629,951	593,808	629,951
Cash at bank and in hand	20	155,419	100,918	150,891	93,695
		<u>841,913</u>	<u>847,709</u>	<u>837,518</u>	<u>847,147</u>
Creditors: amounts falling due within one year	21	<u>319,114</u>	<u>264,903</u>	<u>316,040</u>	<u>264,853</u>
Net current assets		<u>522,799</u>	<u>582,806</u>	<u>521,478</u>	<u>582,294</u>
Total assets less current liabilities		<u>781,712</u>	<u>815,008</u>	<u>780,207</u>	<u>813,620</u>
Net assets		<u>781,712</u>	<u>815,008</u>	<u>780,207</u>	<u>813,620</u>
Funds of the charity					
Restricted funds		266,346	410,926	266,346	410,926
Unrestricted funds:					
General funds		300,567	404,082	299,062	402,694
Designated fund		214,799	-	214,799	-
Total charity funds	22	<u>781,712</u>	<u>815,008</u>	<u>780,207</u>	<u>813,620</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 16/09/22 and are signed on behalf of the board by:

A Barkatali

A Barkatali
Trustee

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 2022

	Group 2022 £	2021 £	Charity 2022 £	2021 £
Cash flows from operating activities				
Net income/(expenditure)	(33,296)	241,550	(33,414)	240,635
<i>Adjustments for:</i>				
Depreciation of tangible fixed assets	66,919	56,913	66,228	56,005
Other interest receivable and similar income	(608)	(1,348)	(608)	(1,348)
Profit on sale of assets	(158)	-	(158)	-
<i>Changes in:</i>				
Stocks	(4,725)	3,035	-	-
Trade and other debtors	28,879	77,519	37,736	75,483
Trade and other creditors	54,210	(63,273)	44,132	(58,713)
Cash generated from operations	111,222	314,396	113,917	312,062
Interest received	608	1,348	608	1,348
Proceeds from fixed asset disposals	158	-	158	-
Net cash used in operating activities	<u>111,988</u>	<u>315,744</u>	<u>114,683</u>	<u>313,410</u>
Cash flows from investing activities				
Purchase of tangible assets	(93,629)	(27,498)	(93,629)	(27,498)
Net cash used in investing activities	<u>(93,629)</u>	<u>(27,498)</u>	<u>(93,629)</u>	<u>(27,498)</u>
Net decrease in cash and cash equivalents	18,358	288,246	21,053	285,912
Cash and cash equivalents at beginning of year	730,869	442,623	723,646	437,735
Cash and cash equivalents at end of year	20 <u>749,227</u>	<u>730,869</u>	<u>744,699</u>	<u>723,647</u>

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

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2022

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

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 Charities Act 2011, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

3. Accounting Policies

Basis of Preparation

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.

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 2022

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 22.

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 2022

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 asset's 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.

Significant Accounting Estimates and Judgements

In the application of the entity's accounting policies the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year

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

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

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.

5. Donations and Legacies - Charity

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Monetary donations	10,186	-	10,186
Donation from Trading Subsidiary	3,000	-	3,000
	<u>13,186</u>	<u>-</u>	<u>13,186</u>
Grants			
Manchester City Council	184,488	-	184,488
Greater Manchester Combined Authority	49,750	-	49,750
Arts Council	259,692	-	259,692
Covid-19 furlough grant	18,397	-	18,397
	<u>512,327</u>	<u>-</u>	<u>512,327</u>
Total	<u>525,513</u>	<u>-</u>	<u>525,513</u>

	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>771,606</u>	<u>-</u>	<u>771,606</u>
Total	<u>797,070</u>	<u>-</u>	<u>797,070</u>

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

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

6. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Venue hire, shared BO and gallery	146,817	-	146,817
Project grants	108,948	323,221	432,169
Rents receivable	48,367	-	48,367
	<u>304,132</u>	<u>323,221</u>	<u>627,353</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Venue hire, shared BO and gallery	4,930	-	4,930
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>

7. Investment Income - Charity

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	<u>608</u>	<u>608</u>	<u>1,348</u>	<u>1,348</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 2022 was £118 (2021: £914).

9. Other Income - Charity

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Profit on Sale of fixed asset	158	158	-	-
Trading Income – Presentation fee	<u>418</u>	<u>418</u>	<u>-</u>	<u>-</u>

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

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

10. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Salaries and employer's NIC	420,728	111,194	531,922
Activities costs	167,339	183,575	350,914
Other direct costs	9,500	100	9,600
Promotional costs	14,360	6,967	21,327
Training, recruitment, travel, and motor	8,525	1,238	9,763
Professional fees	20,988	-	20,988
Bank charges and subscriptions	6,715	-	6,715
Property costs	101,947	56,854	158,801
Depreciation	26,673	40,246	66,919
Support costs	11,206	-	11,206
	<u>787,981</u>	<u>400,174</u>	<u>1,188,155</u>

	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>

11. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly	Support costs	Total funds 2022	Total funds 2021
	£	£	£	£
Salaries and employer's NIC	531,922	-	531,922	557,077
Activities costs	350,914	-	350,914	194,039
Other direct costs	9,600	-	9,600	12,170
Promotional costs	21,327	-	21,327	13,944
Training, recruitment, travel and motor	9,763	-	9,763	2,851
Professional fees	20,988	-	20,988	2,873
Bank charges and subscriptions	6,715	-	6,715	3,421
Property costs	158,801	-	158,801	147,537
Depreciation	44,167	22,752	66,919	56,913
Governance costs	-	11,206	11,206	7,035
	<u>1,154,197</u>	<u>33,958</u>	<u>1,188,155</u>	<u>997,860</u>

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

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

12. Net Income/(Expenditure)

Net (expenditure)/Income:

	2022	2021
	£	£
Depreciation of tangible fixed assets	66,919	56,913
Gains on disposal of tangible fixed assets	158	-
Operating Lease rentals	43,331	46,028

13. Auditors Remuneration

	2022	2021
	£	£
Fees payable to the external auditors for the audit of the financial statements	6,625	5,760
Fees payable to the external auditors for other services	1,875	1,110
	<u>8,500</u>	<u>6,870</u>

14. Staff Costs

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

	2022	2021
	£	£
Wages and salaries	523,230	535,343
Social security costs	41,752	39,730
Pension costs	9,250	8,797
	<u>574,233</u>	<u>583,870</u>

The average head count of employees during the year was 32 (2021: 33). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of operational staff	10	15
Number of creative staff	5	5
Number of management staff	6	5
	<u>21</u>	<u>25</u>

No employee received employee benefits of more than £60,000 during the year 2022 (2021: Nil).

During the year there were settlement payments of £4,320 (2021 - £Nil). There was £4,320 (2021 - £Nil) outstanding at the year end.

Key Management Personnel

Key management personnel are the Chief Executive, Head of Finance & Operations, Head of Premises & Technical, Head of Creative Development and Head of Programming. The total compensation paid to key management personnel for services provided to the charity was £214,374 (2021: £199,521).

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

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

15. Trustee Remuneration and Expenses

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

16. Tangible Fixed Assets – Group

	Stun Studio £	Static Equipment £	Portable Equipment £	Theatre Seating £	Fixtures & Fittings £	Plant & Machinery £	Total £
Cost							
At 1 April 2021	227,866	55,057	204,339	120,201	4,020	22,385	633,867
Additions	-	875	4,540	-	-	88,214	93,629
Disposals	-	-	(45,341)	-	-	-	(45,341)
At 31 March 2022	227,866	55,932	163,537	120,201	4,020	110,599	682,156
Depreciation							
At 1 April 2021	165,891	50,300	169,908	12,521	3,045	-	401,666
Charge for the year	22,787	1,947	18,015	12,020	691	11,460	66,919
Release on disposals	-	-	(45,341)	-	-	-	(45,341)
At 31 March 2022	188,678	52,247	142,582	24,541	3,736	11,460	423,244
Carrying amount							
At 31 March 2022	39,188	3,685	20,956	95,660	284	99,140	258,912
At 31 March 2021	61,975	4,757	34,430	107,680	975	22,385	232,202

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

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

16. Tangible Fixed Assets – Charity

	Stun Studio £	Static Equipment £	Portable Equipment £	Theatre Seating £	Plant & Machinery £	Total £
Cost						
At 1 April 2021	227,866	55,057	204,339	120,201	22,385	629,848
Additions	-	875	4,540	-	88,214	93,629
Disposals	-	-	(45,341)	-	-	(45,341)
At 31 March 2022	227,866	55,932	163,538	120,201	110,599	678,136
Depreciation						
At 1 April 2021	165,891	50,300	169,908	12,521	-	398,621
Charge for the year	22,787	1,947	18,015	12,020	11,460	66,229
Release on disposals	-	-	(45,341)	-	-	(45,341)
At 31 March 2022	188,678	52,247	142,582	24,541	11,460	419,508
Carrying amount						
At 31 March 2022	39,188	3,685	20,956	95,660	99,139	258,628
At 31 March 2021	61,975	4,756	34,430	107,680	22,385	231,227

17. Investments - Charity

Analysis of investments at 31 March 2022 between funds

	Unrestricted Funds £	Restricted Funds £	Total funds 2022 £	Total funds 2021 £
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 were the operation of a café bar.

18. Stock

	Group 2022 £	2021 £	Charity 2022 £	2021 £
Stock in hand	6,580	1,855	-	-

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

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

19. Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	64,965	80,371	64,724	81,683
Amounts owed by group undertakings	-	-	7,054	7,204
Other debtors	21,141	34,613	21,041	34,613
	<u>86,106</u>	<u>114,984</u>	<u>92,819</u>	<u>123,501</u>

20. Cash and Cash Equivalents

Cash and cash equivalents comprise the following:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Cash at bank and in hand	155,419	100,918	150,891	93,695
Short-term deposits	593,808	629,951	593,808	629,951
	<u>749,227</u>	<u>730,869</u>	<u>744,699</u>	<u>723,646</u>

21. Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	73,836	68,221	72,481	68,055
Social security and other taxes	91,458	11,936	16,485	11,953
Accruals and deferred income	153,821	184,745	227,074	184,845
	<u>319,115</u>	<u>264,902</u>	<u>316,040</u>	<u>264,853</u>

Deferred income

	£
Balance b/fwd at 1st April 2021	137,239
Released in the year	(56,757)
Deferred in the year	77,409
Balance c/fwd at 31 March 2022	<u>157,891</u>

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

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

22. Analysis of Charitable Funds

Unrestricted funds- Group and Charity

	At 1 April 2021	Income	Expenditure	Transfer	At 31 March 2022
	£	£	£	£	£
General funds	294,584	884,943	(841,285)	(37,674)	300,568
Designated funds:					
Family friendly escape room	-	-	-	20,000	20,000
Major capital depreciation reserve	109,498	-	-	85,301	194,799
	<u>404,082</u>	<u>884,943</u>	<u>(841,285)</u>	<u>67,627</u>	<u>515,367</u>

Transfers of £67,627 from restricted to unrestricted funds represents the release on restriction from DCMS recovery fund and MCC contribution to toilets fund following the completion of the new toilet block.

A Transfers of £85,301 from general funds to designated funds has been added to the Major capital depreciation fund which accounts for depreciation of major capital purchases including theatre seats and new toilet block.

A transfer of £20,000 from general funds to designated funds has been made to cover the costs of building a new family friendly escape room.

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

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

Restricted funds – Group and Charity

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
A4A Summer of play	-	9,750	(9,750)	-	-
ABRSM Generation Z	5,907	-	(5,907)	-	-
ACE Artist development fund	-	83,055	(25,996)	-	57,059
Children in Need	18,920	-	(18,920)	-	-
Creative Scotland 4 nations project	-	4,860	(917)	-	3,943
Curious Minds MCEP	20,000	5,000	(20,200)	-	4,800
DCMS Recovery Fund	55,409	82,471	(100,253)	(37,627)	-
D'oyly Carte	3,500	-	-	-	3,500
Duchy of Lancashire Summer Grant	-	500	(500)	-	-
DWF Foundation	-	2,000	(2,000)	-	-
ERF Danish Cities	-	27,229	(401)	-	26,828
Esme Fairburn	-	5,000	(5,000)	-	-
Family Arts Network	2,570	6,121	(6,343)	-	2,348
FAC Here and Now	2,600	7,000	(9,600)	-	-
GMCA MADE Grant	-	1,000	(1,000)	-	-
Granada Foundation	3,000	-	(3,000)	-	-
Greater Sport Dance Project	-	6,864	(6,864)	-	-
Ground Works Tesco Community Fund	-	500	-	-	500
HAF Mcr active	-	4,792	(339)	-	4,452
Harold Hyam Wingate fund	-	3,975	(1,205)	-	2,770
John Thaw	10	1,000	(1,010)	-	-
Levi's Music Project	52,019	9,805	(39,790)	-	22,034
MCC Contribution to toilets	-	30,000	-	(30,000)	-
MCEP	14,812	-	(2,866)	-	11,946
MCEP Manchester Venues Recovery	44,258	22,500	(17,050)	-	49,708
Mind the gap access	-	500	-	-	500
Mind the gap engage	-	2,000	(2,000)	-	-
NIF Global families	-	1,200	(1,200)	-	-
NIF Summer of Play	-	830	(830)	-	-
One Mcr – Family Jam	3,400	-	(1,450)	-	1,950
One Mcr – Tiger School	4,880	-	(1,881)	-	2,999
Paul Hamlyn	60,601	-	(60,601)	-	-
Stun Capital	77,712	-	(28,786)	-	48,926
UK Theatres Trust	1,635	-	-	-	1,635
Young Manchester SEND Project	-	5,270	(5,270)	-	-
Thrive (Young Manchester)	14,769	-	(3,536)	-	11,233
Youth Music	24,922	-	(15,709)	-	9,213
	<u>410,926</u>	<u>323,221</u>	<u>(400,174)</u>	<u>(67,627)</u>	<u>266,346</u>

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

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

22. Analysis of Charitable Funds *(continued)* Unrestricted funds- Group and Charity

	At 1 April 2020	Income	Expenditure	Transfer	At 31 March 2021
	£	£	£	£	£
General funds	210,520	922,956	(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>

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'oily 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>

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

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2022

Restricted funds – Group and Charity (*continued*)

A4A Summer of play

Grant to facilitate programme of outdoor activities

ABRSM Generation Z

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

ACE Artist development fund

Fund to support the development of artists working in children's theatre and to run a trainee creative facilitator programme

Children in need

Grant to enable the provision of free weekly after school activities

Creative Scotland 4 nations project

Fund to support digital performance research

Curious Minds MCEP

To facilitate the Manchester Creative Education Partnership. (MADE)

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.

Duchy of Lancashire Summer Grant

Grant to support summer programme

DWF Foundation

Grant to support Bright sparks programme access facilitation

ERF Danish Cities

MCC grant to facilitate cultural exchange between Manchester and Denmark

Esme Fairburn

Grant towards the development of the Artichoke Hearts project with Bhuchar Boulevard

Family Arts Network

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

FAC Here and Now

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

GMCA MADE Grant

To facilitate the Manchester Creative Education Partnership.(MADE)

Granada Foundation

Grant to support Big imaginations summer programme

Greater Sport Dance Project

Grant to support the running of after school dance clubs

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

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2022

Restricted funds – Group and Charity (continued)

Ground Works Tesco Community Fund

Grant to facilitate the Bright sparks after school activities

HAF Mcr active

To provide Holiday activities to Manchester school children

Harold Hyam Wingate fund

To support Bright sparks and ZYP dance and drama activities

John Thaw

To support Bright sparks and ZYP dance and drama activities

Levi's Music Project

To support the running of the Levis music studio.

MCC Contribution to toilets

Contribution to a new covid secure toilet block

MCEP

A Grant from MCC to facilitate the Manchester Creative Education Partnership (MADE)

MCEP Manchester Venues Recovery

Manchester venues contributions to fund Manchester Creative Education partnership (MADE)

Mind the gap access

Grant to support access projects at Z-arts

Mind the gap engage

Grant to support access projects at Z-arts

NIF Global families

Grant to support family half term activities

NIF Summer of Play

Grant to support the Summer activities in Hulme park

One Mcr – Family Jam

To enable family music events in the café.

One Mcr – Tiger School

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

Paul Hamlyn

To support the CEO and the organisation in the development of new work reflective of the diverse nature of families today

Stun Capital

To redevelop the studio into a fully equipped theatre studio and refurbish the associated offices

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

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2022

Restricted funds – Group and Charity (*continued*)

UK Theatres Trust

To provide access and environmental improvements.

Young Manchester SEND Project

Grant to provide SEND Easter activities

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 2022

23. Analysis of Group Net Assets between Funds

	Restricted Funds	Unrestricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Tangible fixed assets	48,926	209,986	258,912	232,202
Current assets	217,420	305,380	522,800	582,806
Net assets	266,346	515,366	781,712	815,008

	Restricted Funds	Unrestricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Tangible fixed assets	100,097	132,105	232,202	261,615
Current assets	310,829	271,977	582,806	311,843
Net assets	410,926	404,082	815,008	573,458

24. Operating Lease Commitments – Group and Charity

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

	2022	2021
	£	£
Equipment		
Not later than 1 year	843	843
Later than 1 year and not later than 5 years	1,476	2,319
	2,319	3,162

25. 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 £252,163 (2021: £203,753) has been received during the year. Expenditure totalling £45,295 (2021: £45,295) has been incurred with the related party during the year. The balance outstanding at the year-end was £36,000 (2021: £48,426).

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 2022

26. Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2021 - £76,745)

27. Analysis of changes in Net Debt

	At 1 April 2021	Cashflow	At 31 March 2022
	£	£	£
Cash at bank	100,918	54,501	155,419
Short-term deposits	629,951	(36,143)	593,808
Total Funds	<u>730,869</u>	<u>18,358</u>	<u>749,227</u>