DERBY QUAD LIMITED

England & Wales · Charity number 1115546

Details

Other names	DERBY VISUAL ARTS AND MEDIA CENTRE LIMITED
Status	Registered
Legal form	Charitable company
Company number	05465412
Registered	2006-07-24
Register	View on the Charity Commission register

Contact

Address	Derby Quad Limited Market Place Derby DE1 3AS
Phone	01332285444
Email	info@derbyquad.co.uk
Website	www.derbyquad.co.uk

Activities

Objects: THE PROMOTION OF, EDUCATION IN, DEVELOPMENT OF AND APPRECIATION OF THE ARTS INCLUDING, (WITHOUT LIMITATION):3.1.1. PHOTOGRAPHY, TELEVISION, VIDEO AND FILM AND OTHER VISUAL AND AUDIOVISUAL MEDIA AND ARTS; AND3.1.2 DRAMA, MIME, DRAMATIC IMPROVISATION, LITERATURE, ORIGINAL WRITING AND PRESENTATION OF POETRY AND PROSE, DANCE, SONG AND MUSIC GENERALLY, PAINTING, SCULPTURE, CRAFTS.FOR THE PARTICULAR BUT NOT EXCLUSIVE BENEFIT OF INHABITANTS OF THE CITY OF DERBY AND COUNTY OF DERBYSHIRE.

Activities: The principal activity of the charity is the promotion of, education in, development of and appreciation of the arts

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Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** CITY OF DERBY AND COUNTY OF DERBYSHIRE
- Derby City
- Derbyshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,917,417	£2,205,161	£-71,039	32
2024-03-31	£2,532,100	£2,502,916	£201,984	63
2023-03-31	£2,375,047	£2,721,725	£172,800	77
2022-03-31	£2,472,786	£2,382,243	£519,478	73
2021-03-31	£2,238,631	£1,938,176	£428,935	83

Trustees

Name	Role	Appointed
Mark Gregory	Chair	2022-01-04
Ashok Venkatesh		2020-02-18
Charlotte Sexton		2017-05-26
Helen ST CYR		2019-12-11
Jason Howard Luke		2023-01-01
Luke Earle		2017-12-11
Paula Da Costa Gomes		2022-03-17
Prof Keith McLay		2020-10-06
Rebecca Goldsmith		2017-12-11
Robbie Jones		2022-01-04

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DERBY QUAD LIMITED

England & Wales - Charity number 1115546

Accounts

Registered number: 05465412
Charity number: 1115546

DERBY QUAD LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

DERBY QUAD LIMITED
(A company limited by guarantee)

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DERBY QUAD LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2025

Trustees	M Gregory, Trustee R Jones, Trustee C Sexton, Trustee R Goldsmith, Trustee (resigned 27 August 2024) L Earle, Trustee A Venkatesh, Trustee (resigned 10 April 2025) K McLay, Trustee E Flint, Trustee N Powlson, Trustee A Parker, Trustee (appointed 8 May 2024) N Peatfield, Trustee (appointed 8 May 2024)
Company registered number	05465412
Charity registered number	1115546
Registered office	Quad Market Place Cathedral Quarter Derby Derbyshire DE1 3AS
Chief executive officer	E Thornley (appointed 22 July 2024)
Independent auditor	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ
Bankers	Barclays Bank UK PLC Leicester LE87 2BB

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report together with the audited financial statements of the Company and Group for the year 1 April 2024 to 31 March 2025. The Annual Report serves the purposes of both a Trustees' report and a director's report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Group and the Company qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

The trustees report refers to the activities of both the Company and Derby Quad Enterprises Limited.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The Trustees believe that the Charity's aims, together with the activities outlined in this report, are demonstrably to the public benefit.

The principal activity of the charity is the promotion of, education in, development of, and appreciation of the arts. This is in accordance with the objects contained in the Memorandum and Articles of Association, the Charity's governing document.

There has been no material change in the objects of the charity which are:

- Photography, television, video and file and other visual and audio visual Media and Arts,
- Drama, MIME, dramatic improvisation, Literature, original writing and presentation of poetry and prose, dance, song and music generally, painting, sculpture, crafts and
- For the particular but not exclusive benefit of the inhabitants of the City of Derby and County of Derbyshire.

b. Strategies for achieving objectives

QUAD reviews its strategic approach to its objectives annually and believes in an inclusive approach to developing these solutions which improve all staff, Directors, and key stakeholders.

- Ensure a focus on making art, film, and digital media accessible to all
- Pricing policies that enable younger audiences, financially excluded, and minority ethnic audiences, access to our programme
- Ongoing review of all costs to ensure best value for all expenditure
- Continuing use of Board subcommittees
- Maximising insights from external partners
- Enhancing QUAD's environmental credentials through a focus on utility usage with a long-term aim of Carbon Neutrality
- Continuing to develop the relationship with Derby City Council to help develop city wide priorities including wellbeing and the reinvigoration of the city centre
- Closer working with the education sector of the City of Derby to help enhance academic achievement and social inclusion
- Ensure alignment of objectives with those of key stakeholders
- Ensure diversity and inclusivity are at the forefront in making decisions about outputs and targets

c. Activities undertaken to achieve objectives

Hybrid and flexible working was maintained to encourage staff to feel confident in returning to the workplace and to maintain flexibility that enhances work-life balance.

Despite necessary adaptation of our programme, we again continued to build on our increased profile as a leader in the exploration of digital media in the Midlands. An underlying focus of this was to improve the lives of our audiences through art, film and digital media in a variety of ways with a particular emphasis on deepening the experience that users have with us. Eleanor Thornley began as CEO in July 2024 and, supported by the Board, conducted a full sustainability and business review. This resulted in a re-structure and a change to opening hours, reducing from 7 days to 4, and a 50% reduction in staff across October and November 2024. These necessary changes allowed QUAD to continue to trade whilst maintaining our crucial artistic and educational activities for the community focussing on film, photography, new media and digital art.

d. Volunteers

The use of volunteers enhances the charity's ability to deliver high quality services to participants and audiences by expanding its work in a cost-effective manner and by bringing new skills, enthusiasm, and a fresh perspective to the organisation. Volunteers are accepted from:

- Persons with an interest in becoming involved in some aspect of the Charity's work
- Persons who are looking for work as part of community service activity, student internships, personal development, and professional development.

New volunteers must be able to demonstrate a commitment to the aims and objectives of the charity and will be always expected to discharge their duties in accordance with the charity's procedures and policies.

Achievements and Performance

a. Review of activities

QUAD, like all organisations, continued to suffer significant challenges and slow return of audiences post Covid-19 and the continuing cost of living crisis. As an organisation that generates a significant proportion of its income from earned sources, QUAD is exponentially affected compared to other charities by a drop off in visitor numbers, including a drop off in local nighttime economy.

Alongside the restructuring described earlier in this report, the levels of public investment have remained steady, and these are crucial to QUAD's long-term success. All of our public body funders showed real support and flexibility during this year, including changes to the timing of grant funds as well as a one-off additional grant from Derby City Council. QUAD recognises the challenges all public bodies face and will continue to work in partnership to find the best value and high impact solutions possible with stakeholders and partners in meeting these challenges and providing public benefit through programmes and activities.

QUAD continues to deliver an excellent programme of exhibitions, cinema, education, and digital media activities and is grateful to its highly committed and dedicated staff, advocates, partners, and Board members for their work and support.

b. Key performance indicators

- In 2024-25 we had over 231,000 participants and visits for our artistic programme across 142 events
- Over 34,000 Children and young people engaged in our programme
- We delivered 36 workshops with artists and educators for both specific groups and the public
- We delivered 23 skills-based workshops to further artist skillsets
- We produced or delivered 52 exhibitions across the period

- We delivered 5 online training programmes and artist talks to reach a wider audience
- In 2024-25 we had 38,065 tickets sold in our cinemas
- We mentored 3 artists and had 3 creative interns

c. Programme highlights

Throughout the financial year 2024-25, despite a restructure, QUAD continued a mature and developed programme of contemporary arts focused activities - including exhibitions, commissions and residencies. We continued our partnership working across the gallery and education sectors, and delivered a range of creative wellbeing, education & learning and participation activities. The Programme Team continued to work with and support artists, creatives and people of all ages, with a specific focus on those from underrepresented backgrounds. There was also a continued high level of engagement and development in digital and creative new media outputs, as well as lens-based media projects and related activities (such as FORMAT International Photography Festival off year and on year programmes).

- The 'Future Tense' exhibition in QUAD Gallery 1 and 'Jubilee City: Derby Punk in the 1970s' exhibition in Gallery 2 had audience footfall of 7,948 (against a projected 6,000 footfall).
- FORMAT25 international photography festival was delivered in March 2025 across QUAD and the city and was a well-received success despite the challenges faced by QUAD. There were 24 exhibitions across 8 venues in Derby (and a satellite in Leicester) in QUAD, The University of Derby, Dubrek, Smallprint Gallery, The Museum of Making, 19 Chapel St (previously Deda), Electric Daisy, The Old Brigden's store, Derbion centre, Banks Mill and LCB depot. The Conference, which was co-convened by UoD, was held on the 14th March 2025 with 8 speakers and a keynote from David Bate. We held a photobook market with a full programme of talks across the launch weekend, and the Portfolio review took place on the 15th of March with 26 reviewers engaging with artists. Across the launch weekend artist talks were held and guided tours took place across the exhibitions.
- Fairytale, an interactive family theatre show was hosted in our gallery across the Christmas period; which had 9 performances and an associated exhibition featuring interactive activities for families.
- Continuation of our 3-year School in Residence project which continued to work with 3 local schools and colleges to bring creativity in to the learning space - and learning into creative spaces - and culminated in Summer 2025 with a show in our main gallery.
- The culmination of our Dancing through Time project with a gallery exhibition in Autumn 2024 and a pop-up exhibition and performance space as part of FORMAT25.
- Petra Szeman's 'Towards a New Monomyth' took place from 28 September 2024 to 9 February 2025. It featured a range of digital/wall-based artworks and digital screen-based works.
- GoldSquad and Mindful wellbeing activities took place from April 2024 until October 2025. GoldSquad had work exhibited alongside the fairytale performances in Gallery 2.
- Our BFI Film Academy short course worked with 20 students across 5 months to produce 3 short films which were presented at QUAD, Broadway Nottingham and Flatpack festival.

Throughout this year, QUAD worked closely with our funding partners and other stakeholders to maintain progress towards our strategic outcomes, in spite of ongoing challenges. We continue to deliver an excellent programme of exhibitions, cinema, education and digital media activities and are very grateful to our highly committed and dedicated staff, advocates, partners and Board members for their work and support.

d. Fundraising activities and income generation

QUAD raises funds through donations, sponsorship, room hire and events. This also incorporates:

- Trust and foundations applications
- Business engagement
- Individual giving

This work is undertaken and overseen by the Senior Management Team at QUAD and direct delivery of activities is managed by QUAD staff. Currently, individual giving activity is focused through online donations via our ticketing website (additional donations can be made as one-off payments as well) and in person in the building.

We monitor progress of funding applications and campaigns through regular meetings that review the status and success/failure of current funding applications.

QUAD has an overarching data protection policy which ensures all activity is compliant with current legislation including GDPR regulations. All fundraising activity is compliant with this policy.

Due to the restructure and closure of the kitchen and restricted opening hours, bar income significantly changed after October 2024. This was, however, offset by correspondingly lower costs, resulting a in a more profitable commercial offering. Coffee and Tea remained top sellers, with savoury snacks and beer also doing well. Room hire also took a bit of a drop with associated with the reduced opening hours but events such as Whooverville and other whole-building ‘takeovers’ saw considerable growth.

Donations were limited during this period. The Board took the decision to pause membership renewals during the restructuring, due to the then-continuing uncertainty of the future of the business. Membership income was therefore impacted. Having reset the cost-base, QUAD has been pleased to restart memberships (as well as start to increase opening hours again).

e. Investment policy and performance

The Trustee' investment powers are governed by the Memorandum and Articles of Association, which permits the charity's funds to be invested in or on such investments, securities, or property, as may be thought fit.

Financial review

a. Going concern

In preparing the financial statements the Trustees are required to assess the Company's and Group's ability to adopt the going concern basis of accounting.

We are facing ongoing challenges against the cost-of-living crisis which is so keenly felt by Quad, our people and our customers. We are continuing to work diligently through these challenging times thanks to our incredible team of people who are all so passionate about QUADs vision, and to our primary partners.

On top of continued funding from Arts Council England and British Film Institute, we also received an advance of our 2024/25 funding from Derby City Council in March 2024, along with a deferral in the repayment of our interest free loan to help mitigate cash flow risks.

Later in 2024, we agreed a rephasing of our 2025/2026 funding from Arts Council England, as well as receiving an additional support grant from Derby City Council, received during the course of 2025. On top of this, the team has executed a significant restructuring of the organisation and driven material cost efficiencies whilst maintaining our commitment to the programme. We have, since then, been able to start repayment of the interest-free loan received from Derby City Council.

The Finance manager has prepared monthly cash flow forecasts for each of the 2025-26 and 2026-27 financial years, a period covering at least the twelve months from the date the Trustees approved the financial statements. These forecasts balance risk and opportunities, take account of the current economic conditions, factor in inflationary cost increases and assume funding levels consistent with those achieved historically, with sensitivity applied to the trading income considering the cost-of-living pressures. Management has, as approved by the Board, built in additional contingency into the cashflow forecasts to ensure the forecasts are appropriately conservative.

The forecasts show that the Group has sufficient funds to discharge its liabilities when they fall due, with non-linear growth in reserves, throughout the forecast period. However, as is common in the charitable sector, the reserves and cash headroom are not of a level that could withstand significant downside sensitivity. Whilst, on a year-by-year basis, the financial situation is much improved, the level of reserves fluctuates month-by-month driven by the conservative income and expenditure forecasts, as well as quarterly timing of grant funding. In certain months (in particular in the remaining months up to March 2026), the reserves level is forecast to remain challenging, before increasing throughout the 2026-27 forecast period. The management team and Board continues to work together closely on managing cash flow risk on a monthly basis, and on building further resilience through fundraising activities (including by commercial sponsorship and income-generation; and through capital fund applications). Whilst this work continues, the Trustees have therefore concluded that - certainly during the first half of the forecast period - there are matters that indicate the existence of material uncertainties which may cast significant doubt about the Company's and/or Group's ability to continue as a going concern.

Notwithstanding this material uncertainty, having assessed all scenarios and the options available to the Group, the Trustees have formed the judgement that it is appropriate to prepare the financial statements on a going concern basis.

The Trustees note that Derby QUAD Enterprises remained loss-making throughout the period. Based on the work done to restructure both the commercial offering and the cost-base – and on the continuing management of the activity – the loss-making position is forecast to reverse over the going concern period.

b. Reserves policy

The reserves policy of the charity is to maintain three months net operating costs in unrestricted reserves. Based on the reported results three months operating costs based on staffing, premises and other overhead costs amount to approximately £300,000. The current unrestricted undesignated reserves balance is in £294,031 deficit (2024: £56,399 surplus). The benefit of the 2024/25 restructuring results in forecasted growth of unrestricted reserves during the 2026-27. Please refer to the above paragraph for further detail on the going concern status of the Charity.

c. Principal risks and uncertainties

A risk assessment continues to be carried out and monitored during the year by the Board of Trustees who receive a risk matrix regularly, and it is anticipated that this process will continue in the future. Key risks are discussed at Board meetings, including in-depth discussions around continuing financial resilience of QUAD.

The charity will continue to develop systems to monitor and control risks to mitigate any impact they may have on the charity. The Trustees will examine the major risks that the charity faces each financial year when preparing the strategic plan.

d. Principal funding

The directors are satisfied that the charitable company's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds. All funding sourced is managed according to the requirements of the grant application and regulations of the funding body.

Structure, governance and management

a. Constitution

Derby Quad Limited is based at Quad Market Place, Cathedral Quarter, Derby, DEI 3AS. This is also the company's registered office. Derby Quad Limited is a company limited by guarantee (Company Registration No 05465412) and Registered Charity (No 1115546). The Charity was originally incorporated on 27 May 2005 as

Derby Visual Arts and Media Centre Limited and changed its name to Derby Quad Limited on 22 November 2005. The Charity's governing document is the Memorandum and Articles of Association as amended by special resolutions dated 27 February 2006 and 13 April 2006. The company registered as a charity on 24 July 2006.

The principal activity of the group was that of running a charity with the aim to promote the education, development, and appreciation of the Arts.

b. Methods of appointment or election of Trustees

The management of the Group and the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association.

c. Organisational structure and decision-making policies

The business of the Group is managed by a Board of Trustees consisting of a minimum of six members including not more than one member nominated by Derby City Council. Board Members are elected at the Annual General Meeting and the Board has powers to appoint Board Members at any time. Board Members so appointed hold office until the following AGM, when they become eligible for re-election as follows:

At the time of the third AGM, and at each subsequent AGM, one third of the Directors must retire and are eligible for re-election. However, a director may not serve for more than 9 years in succession nor be reappointed within 1 year thereafter. Trustees who served in the Board of Trustees during the financial period are listed on page 1.

d. Policies adopted for the induction and training of Trustees

In accordance with good Board governance, during 2025, the Board carried out a skills review of current Trustees, and a subsequent gap analysis. This has resulted in a new trustee recruitment campaign. Whenever new Trustees are required, QUAD seeks persons who demonstrate a commitment to the aims and objectives of the charity and who have the specific skills and experience already identified. Following widespread publicising of the posts and receipt of written applications, an informal, first stage selection process is conducted. After a short list procedure, formal interviews will be held.

If the person is then invited to become a trustee and accepts the invitation, they will receive an introduction pack which will include a description of the organisation and its management structure, a description of the duties and responsibilities of Trustees, copies of all the charity's policies and relevant procedures. Trustees will also be offered access to relevant training opportunities both within and outside of the organisation.

e. Pay policy for key management personnel

The Trustees consider the Board of Directors, who are QUAD's Trustees, and the senior management team comprising the key management personnel of the charity in charge of directing and controlling, running and operating QUAD on a day-to-day basis.

All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in the accounts.

The pay of the senior staff is reviewed annually through the appraisal system and any increases, although not regularly made, will be based on significant change to job rotes. In view of the nature of the charity, the Directors benchmark against pay levels in other multi artform venues of a similar size with similar income levels.

f. Financial risk management

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and

procedures are in place to mitigate exposure to the major risks.

Plans for future periods

During these challenging economic times the impact of art and culture on the wellbeing of the population cannot be underestimated. QUAD's strategic importance to Derby's cultural offer and the role it plays in the wider cultural life of the UK is highly regarded.
Having successfully completed a re-structure that has stabilised the business alongside a new business plan QUAD is on the road to a more sustainable future. Now in our final year of a 3 year Arts Council England funding we have been confirmed as part of the extension of the National portfolio into 2026-2027.

Mission
Deliver our charitable aims by:
- Providing the best in film, photography and new media art for the people of Derby and beyond.
- To nurture and support creative talent.
- To provide routes to engagement with our programme via education and participation.
- To be a social, creative community hub.

Vision
To be industry leaders and innovators in the curation of film, photography and new media art, bringing a vibrancy and cultural centre to Derby that allows all visitors, partners and collaborators to explore and celebrate their creativity.

2025-2026 Purpose
To stabilise the organisation to allow the charity to have a sustainable future, focus its delivery and programme within our new context and re-introduce our mission and vision to our stakeholders and audiences.

Whilst 2024-25 challenges forced a shorter-term perspective on our activities, the Board has been able to redefine our long-term strategy and put QUAD in the position to accelerate progress on these objectives over the next 12 months. We continue to measure and monitor agreed KPI's year on year. We stay in close contact with all of QUADs stakeholders to ensure we comply with our funding commitments; and we continue to meet more regularly to monitor risks to delivery of the objectives.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:
- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Bates Weston, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the Board of Trustees and signed on their behalf by:

M Gregory
(Chair of Trustees)
Date: 19 December 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBY QUAD LIMITED

Opinion

We have audited the financial statements of Derby Quad Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements, which indicates that the group continues to face a challenging operating environment against the cost-of-living crisis and wider economic condition. As stated in note 2.2, these events or conditions, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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.
- 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 our knowledge and understanding of the charitable company 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 Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, 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; 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 Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the 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 Group or the parent 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and sector in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. Audit procedures performed by the engagement team included:

- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Sean Douglass FCA (Senior statutory auditor)
for and on behalf of
Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

19 December 2025

DERBY QUAD LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income from:					
Donations and legacies	4	**18,568**	**-**	**18,568**	*39,138*
Charitable activities	5	**1,260,564**	**231,000**	**1,491,564**	*1,848,648*
Other trading activities	7	**406,397**	**-**	**406,397**	*643,205*
Investments	8	**888**	**-**	**888**	*1,109*
Total income		**1,686,417**	**231,000**	**1,917,417**	*2,532,100*
Expenditure on:					
Raising funds	9	**481,637**	**-**	**481,637**	*621,331*
Charitable activities	10	**1,569,931**	**153,593**	**1,723,524**	*1,881,585*
Total expenditure		**2,051,568**	**153,593**	**2,205,161**	*2,502,916*
Net (expenditure)/income before taxation		**(365,151)**	**77,407**	**(287,744)**	*29,184*
Taxation		**14,721**	**-**	**14,721**	*-*
Net movement in funds		**(350,430)**	**77,407**	**(273,023)**	*29,184*
Reconciliation of funds:					
Total funds brought forward		**56,399**	**145,585**	**201,984**	*172,800*
Net movement in funds		**(350,430)**	**77,407**	**(273,023)**	*29,184*
Total funds carried forward		**(294,031)**	**222,992**	**(71,039)**	*201,984*

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 38 form part of these financial statements.

DERBY QUAD LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 05465412

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2025

	Note		2025 £		*2024 £*
Fixed assets					
Intangible assets	15		**16,531**		*22,274*
Tangible assets	16		**193,962**		*253,230*
			210,493		*275,504*
Current assets					
Stocks	18	**4,165**		*11,124*	
Debtors	19	**259,060**		*284,494*	
Cash at bank and in hand		**201,228**		*315,632*	
		464,453		*611,250*	
Current liabilities					
Creditors: amounts falling due within one year	20	**(595,155)**		*(482,843)*	
Net current assets / liabilities			**(130,702)**		*128,407*
Total assets less current liabilities			**79,791**		*403,911*
Creditors: amounts falling due after more than one year	21		**(150,830)**		*(187,902)*
Provisions for liabilities			**-**		*(14,025)*
Total net assets			**(71,039)**		*201,984*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

	Note	2025 £	*2024 £*
Charity funds			
Restricted funds	23	**222,992**	*145,585*
Unrestricted funds	23	**(294,031)**	*56,399*
Total funds		**(71,039)**	*201,984*

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

M Gregory
(Chair of Trustees)
Date: 19 December 2025

The notes on pages 18 to 38 form part of these financial statements.

DERBY QUAD LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 05465412

CHARITY BALANCE SHEET
AS AT 31 MARCH 2025

	Note		2025 £		*2024 £*
Fixed assets					
Intangible assets	15		**16,531**		*22,274*
Tangible assets	16		**184,306**		*245,097*
Investments	17		**1**		*1*
			200,838		*267,372*
Current assets					
Debtors	19	**364,425**		*313,915*	
Cash at bank and in hand		**135,639**		*221,633*	
		500,064		*535,548*	
Current liabilities					
Creditors: amounts falling due within one year	20	**(568,762)**		*(426,023)*	
Net current liabilities / assets			**(68,698)**		*109,525*
Total assets less current liabilities			**132,140**		*376,897*
Creditors: amounts falling due after more than one year	21		**(150,830)**		*(187,902)*
Provisions for liabilities			**-**		*(14,025)*
Total net liabilities / assets			**(18,690)**		*174,970*

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

	Note	2025 £	*2024 £*
Charity funds			
Restricted funds	23	**222,992**	*162,655*
Unrestricted funds	23	**(241,682)**	*12,315*
Total funds		**(18,690)**	*174,970*

The Charity's net movement in funds for the year was £(193,661) *(2024 - £7,200)*.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

M Gregory
(Chair of Trustees)
Date: 19 December 2025

The notes on pages 18 to 38 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	*2024* *£*
Cash flows from operating activities		
Net cash used in operating activities	**(98,803)**	*92,360*
Cash flows from investing activities		
Purchase of intangible assets	**-**	*(17,712)*
Purchase of tangible fixed assets	**(11,434)**	*(61,123)*
Net cash used in investing activities	**(11,434)**	**(78,835)**
Cash flows from financing activities		
Cash inflows from new borrowing	**-**	*150,000*
Repayments of borrowing	**(4,167)**	-
Net cash (used in)/provided by financing activities	**(4,167)**	**150,000**
Change in cash and cash equivalents in the year	**(114,404)**	**163,525**
Cash and cash equivalents at the beginning of the year	**315,632**	*152,107*
Cash and cash equivalents at the end of the year	**201,228**	*315,632*

The notes on pages 18 to 38 form part of these financial statements

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

1. General information

Derby Quad Limited is based at Quad Market Place, Cathedral Quarter, Derby, DE1 3AS. This is also the company's registered office. Derby Quad Limited is a company limited by guarantee. Company Registration No 05465412 and Registered Charity No 1115546.

The principle activity of the group was that of running a charity with the aim to promote the education, development and appreciation of the Arts.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Derby Quad Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated 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 taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

In preparing the financial statements the Trustees are required to assess the Company's and Group's ability to adopt the going concern basis of accounting.

We are facing ongoing challenges against the cost-of-living crisis which is so keenly felt by Quad, our people and our customers. We are continuing to work diligently through these challenging times thanks to our incredible team of people who are all so passionate about QUADs vision, and to our primary partners.

On top of continued funding from Arts Council England and British Film Institute, we also received an advance of our 2024/25 funding from Derby City Council in March 2024, along with a deferral in the repayment of our interest free loan to help mitigate cash flow risks.

Later in 2024, we agreed a rephasing of our 2025/2026 funding from Arts Council England, as well as receiving an additional support grant from Derby City Council, received during the course of 2025. On top of this, the team has executed a significant restructuring of the organisation and driven material cost efficiencies whilst maintaining our commitment to the programme. We have, since then, been able to start repayment of the interest-free loan received from Derby City Council.

The Finance manager has prepared monthly cash flow forecasts for each of the 2025-26 and 2026-27 financial years, a period covering at least the twelve months from the date the Trustees approved the financial statements. These forecasts balance risk and opportunities, take account of the current

2. Accounting policies (continued)

economic conditions, factor in inflationary cost increases and assume funding levels consistent with those achieved historically, with sensitivity applied to the trading income considering the cost-of-living pressures. Management has, as approved by the Board, built in additional contingency into the cashflow forecasts to ensure the forecasts are appropriately conservative.

The forecasts show that the Group has sufficient funds to discharge its liabilities when they fall due, with non-linear growth in reserves, throughout the forecast period. However, as is common in the charitable sector, the reserves and cash headroom are not of a level that could withstand significant downside sensitivity. Whilst, on a year-by-year basis, the financial situation is much improved, the level of reserves fluctuates month-by-month driven by the conservative income and expenditure forecasts, as well as quarterly timing of grant funding. In certain months (in particular in the remaining months up to March 2026), the reserves level is forecast to remain challenging, before increasing throughout the 2026-27 forecast period. The management team and Board continues to work together closely on managing cash flow risk on a monthly basis, and on building further resilience through fundraising activities (including by commercial sponsorship and income-generation; and through capital fund applications). Whilst this work continues, the Trustees have therefore concluded that - certainly during the first half of the forecast period - there are matters that indicate the existence of material uncertainties which may cast significant doubt about the Company's and/or Group's ability to continue as a going concern.

Notwithstanding this material uncertainty, having assessed all scenarios and the options available to the Group, the Trustees have formed the judgement that it is appropriate to prepare the financial statements on a going concern basis.

The Trustees note that Derby QUAD Enterprises remained loss-making throughout the period. Based on the work done to restructure both the commercial offering and the cost-base – and on the continuing management of the activity – the loss-making position is forecast to reverse over the going concern period.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with

2. Accounting policies (continued)

2.4 Expenditure (continued)

the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.6 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Website	-	5 years

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Over the life of the lease
Fixtures and fittings	- 10 - 20% straight line
Office equipment	- 20% straight line

2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

2.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.16 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions used by the Group are not deemed to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from donations and legacies

	Unrestricted funds 2025 £	**Total funds 2025 £**	*Total funds 2024 £*
Donations	18,568	**18,568**	*39,138*
Total 2024	*39,138*	*39,138*	

5. Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Derby City Council	98,333	-	**98,333**	*200,000*
Derby City Council (rent in kind)	260,000	-	**260,000**	*260,000*
Projects grants	-	186,276	**186,276**	*176,155*
Arts Council England	466,176	-	**466,176**	*466,176*
Other charitable activities (note 6)	436,055	44,724	**480,779**	*746,317*
	1,260,564	231,000	**1,491,564**	*1,848,648*
Total 2024	*1,624,226*	*224,422*	*1,848,648*	

6. Income from other charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Cinema takings	317,674	-	**317,674**	*394,575*
Other fees and commissions	100,011	44,724	**144,735**	*308,372*
Advertising income	15,387	-	**15,387**	*19,541*
Membership	2,983	-	**2,983**	*23,829*
	436,055	44,724	**480,779**	*746,317*

7. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Cafe bar income	276,640	**276,640**	*484,209*
Room hire	34,621	**34,621**	*48,563*
Tech squad and game time	76,049	**76,049**	*68,869*
Sponsorship	3,763	**3,763**	*1,188*
Workshop / training	6,360	**6,360**	*40,477*
Shop income	8,964	**8,964**	*(101)*
	406,397	**406,397**	*643,205*

8. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Interest receivable	888	**888**	*1,109*

9. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Marketing costs	1,235	**1,235**	*312*
Premises costs	486	**486**	*1,280*
Other trading costs	189,042	**189,042**	*282,114*
Professional fees and board expenses	893	**893**	*1,566*
Interest payable	998	**998**	*505*
Wages and salaries	264,686	**264,686**	*310,098*
National insurance	15,473	**15,473**	*17,411*
Pension costs	5,472	**5,472**	*5,593*
Depreciation	3,352	**3,352**	*2,452*
	481,637	**481,637**	*621,331*

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	*Total 2024 £*
Direct costs	1,569,931	153,593	**1,723,524**	*1,881,585*
Total 2024	*1,723,013*	*158,572*	*1,881,585*	

11. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	*Total funds 2024 £*
Direct costs	372,099	1,351,425	**1,723,524**	*1,881,585*
Total 2024	*474,614*	*1,406,971*	*1,881,585*	

Analysis of support costs

	Total funds 2025 £	*Total funds 2024 £*
Staff costs	**594,420**	*611,916*
Depreciation	**68,845**	*65,224*
Other costs	**113,266**	*89,764*
Premises costs and insurance	**556,516**	*619,569*
Professional fees and board expenses	**18,378**	*20,498*
	1,351,425	*1,406,971*

12. Auditor's remuneration

	2025 £	*2024 £*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**7,500**	*7,500*

13. Staff costs

	Group 2025 £	*Group 2024 £*	Charity 2025 £	*Charity 2024 £*
Wages and salaries	**859,106**	*922,014*	**594,420**	*611,916*
Social security costs	**54,053**	*53,164*	**38,580**	*35,753*
Contribution to defined contribution pension schemes	**19,716**	*27,300*	**14,244**	*21,707*
	932,875	*1,002,478*	**647,244**	*669,376*

During the year redundancy payments of £126,161 were paid to employees (2024: £Nil)

The average number of persons employed by the Charity during the year was as follows:

	Group 2025 No.	*Group 2024 No.*	Charity 2025 No.	*Charity 2024 No.*
Charitable activities	**39**	*55*	**25**	*32*
Management and administration	**7**	*8*	**7**	*8*
	46	*63*	**32**	*40*

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of Derby Quad Limited comprise of the CEO, Artistic Director, Marketing Manager, Accounts Manager, Technical Services Manager, Format Director, Programme Manager, HR Manager and two Visitor Services Managers. The total amount of employee benefits received by key management personnel was £201,226 (2024: £224,652).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2024 - £NIL)*.

During the year ended 31 March 2025, expenses totalling £146 were reimbursed or paid directly to 1 Trustee *(2024 - £NIL to Trustee)*.

15. Intangible assets

Group and Charity

	Website £
Cost	
At 1 April 2024	**52,912**
At 31 March 2025	**52,912**
Amortisation	
At 1 April 2024	**30,638**
Charge for the year	**5,743**
At 31 March 2025	**36,381**
Net book value	
At 31 March 2025	**16,531**
At 31 March 2024	*22,274*

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

16. Tangible fixed assets

Group

	Long-term leasehold property improvements £	Cinema and other equipment £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2024	**266,434**	**418,814**	**325,206**	**516,267**	**1,526,721**
Additions	**-**	**8,418**	**3,016**	**-**	**11,434**
Disposals	**(29,912)**	**-**	**-**	**-**	**(29,912)**
At 31 March 2025	**236,522**	**427,232**	**328,222**	**516,267**	**1,508,243**
Depreciation					
At 1 April 2024	**207,400**	**397,679**	**218,794**	**449,618**	**1,273,491**
Charge for the year	**3,107**	**7,050**	**26,551**	**29,279**	**65,987**
On disposals	**(25,197)**	**-**	**-**	**-**	**(25,197)**
At 31 March 2025	**185,310**	**404,729**	**245,345**	**478,897**	**1,314,281**
Net book value					
At 31 March 2025	**51,212**	**22,503**	**82,877**	**37,370**	**193,962**
At 31 March 2024	*59,034*	*21,135*	*106,412*	*66,649*	*253,230*

16. Tangible fixed assets (continued)

Charity

	Long-term leasehold property improvements £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2024	**266,434**	**395,087**	**304,153**	**516,267**	**1,481,941**
Additions	**-**	**6,559**	**-**	**-**	**6,559**
Disposals	**(29,912)**	**-**	**-**	**-**	**(29,912)**
At 31 March 2025	**236,522**	**401,646**	**304,153**	**516,267**	**1,458,588**
Depreciation					
At 1 April 2024	**207,400**	**377,394**	**202,432**	**449,618**	**1,236,844**
Charge for the year	**3,107**	**5,257**	**24,992**	**29,279**	**62,635**
On disposals	**(25,197)**	**-**	**-**	**-**	**(25,197)**
At 31 March 2025	**185,310**	**382,651**	**227,424**	**478,897**	**1,274,282**
Net book value					
At 31 March 2025	**51,212**	**18,995**	**76,729**	**37,370**	**184,306**
At 31 March 2024	*59,034*	*17,693*	*101,721*	*66,649*	*245,097*

17. Fixed asset investments

Charity	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2024	**1**
At 31 March 2025	**1**
Net book value	
At 31 March 2025	**1**
At 31 March 2024	*1*

Principal subsidiaries

The following was a subsidiary undertaking of the Charity and included in the consolidation:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
Derby Quad Enterprises Limited	06643908	Quad Market Place, Cathedral Quarter, Derby, DE1 3AS	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Derby Quad Enterprises Limited	**406,619**	**(466,915)**	**(60,296)**	**(52,348)**

18. Stocks

	Group 2025 £	*Group 2024 £*
Shop and cafe stock	**4,165**	*11,124*

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

19. Debtors

	Group 2025 £	*Group 2024 £*	Charity 2025 £	*Charity 2024 £*
Due after more than one year				
Other debtors	**119,236**	*126,370*	**119,236**	*126,370*
	119,236	*126,370*	**119,236**	*126,370*
Due within one year				
Trade debtors	**22,620**	*35,399*	**10,977**	*28,256*
Amounts owed by group undertakings	**-**	*-*	**133,603**	*38,223*
Other debtors	**7,963**	*9,502*	**7,963**	*7,843*
Prepayments	**36,461**	*16,382*	**34,587**	*16,382*
Deferred tax	**14,721**	*-*	**-**	*-*
Grants receivable	**58,059**	*96,841*	**58,059**	*96,841*
	259,060	*284,494*	**364,425**	*313,915*

20. Creditors: Amounts falling due within one year

	Group 2025 £	*Group 2024 £*	Charity 2025 £	*Charity 2024 £*
Other loans	**24,305**	*50,000*	**24,305**	*50,000*
Trade creditors	**93,680**	*115,932*	**84,894**	*108,126*
Other taxation and social security	**15,198**	*38,081*	**4,923**	*6,790*
Other creditors	**6,883**	*12,582*	**5,714**	*9,859*
Accruals and deferred income	**455,089**	*266,248*	**448,926**	*251,248*
	595,155	*482,843*	**568,762**	*426,023*

Creditors: Amounts falling due within one year (continued)

	Group 2025 £	*Group 2024 £*	Charity 2025 £	*Charity 2024 £*
Deferred income at 1 April 2024	**168,457**	*79,513*	**154,065**	*78,513*
Resources deferred during the year	**351,940**	*168,457*	**347,515**	*155,065*
Amounts released from previous periods	**(168,457)**	*(79,513)*	**(154,065)**	*(79,513)*
	351,940	*168,457*	**347,515**	*154,065*

21. Creditors: Amounts falling due after more than one year

	Group 2025 £	*Group 2024 £*	Charity 2025 £	*Charity 2024 £*
Other loans	**121,528**	*100,000*	**121,528**	*100,000*
Accruals	**29,302**	*87,902*	**29,302**	*87,902*
	150,830	*187,902*	**150,830**	*187,902*

22. Provisions

Group and Charity

	Other provision £
At 1 April 2024	**14,025**
Amounts reversed	**(14,025)**
	-

23. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Balance at 31 March 2025 £
Unrestricted funds				
Reserves	**56,399**	**1,686,417**	**(2,036,847)**	**(294,031)**
Restricted funds				
Capital Grants	**62,665**	**-**	**(17,000)**	**45,665**
Other projects and grants	**92,470**	**186,276**	**(60,348)**	**218,398**
FORMAT Festival	**(9,550)**	**44,724**	**(76,245)**	**(41,071)**
	145,585	**231,000**	**(153,593)**	**222,992**
Total of funds	**201,984**	**1,917,417**	**(2,190,440)**	**(71,039)**

Statement of funds - prior year

	Balance at 1 April 2023 £	*Income £*	*Expenditure £*	*Balance at 31 March 2024 £*
Unrestricted funds				
Reserves	*93,065*	*2,307,678*	*(2,344,344)*	*56,399*
Restricted funds				
Capital Grants	*79,735*	*-*	*(17,070)*	*62,665*
Other projects and grants	*-*	*176,155*	*(83,685)*	*92,470*
FORMAT Festival	*-*	*48,267*	*(57,817)*	*(9,550)*
	79,735	*224,422*	*(158,572)*	*145,585*
Total of funds	*172,800*	*2,532,100*	*(2,502,916)*	*201,984*

23. Statement of funds (continued)

The specific purpose for which the funds are to be applied are as follows:

Unrestricted funds represent those resources which may be used towards meeting any of the charitable objectives at the discretion of the Trustees.

Restricted funds comprise of grants for specific projects or capital purchases and will only be used for the purpose that the grants were intended.

24. Summary of funds

Summary of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Balance at 31 March 2025 £
General funds	**56,399**	**1,686,417**	**(2,036,847)**	**(294,031)**
Restricted funds	**145,585**	**231,000**	**(153,593)**	**222,992**
	201,984	**1,917,417**	**(2,190,440)**	**(71,039)**

Summary of funds - prior year

	Balance at 1 April 2023 £	*Income £*	*Expenditure £*	*Balance at 31 March 2024 £*
General funds	*93,065*	*2,307,678*	*(2,344,344)*	*56,399*
Restricted funds	*79,735*	*224,422*	*(158,572)*	*145,585*
	172,800	*2,532,100*	*(2,502,916)*	*201,984*

25. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	148,297	45,665	**193,962**
Intangible fixed assets	16,531	-	**16,531**
Debtors due after more than one year	119,236	-	**119,236**
Current assets	87,445	257,772	**345,217**
Creditors due within one year	(514,710)	(80,445)	**(595,155)**
Creditors due in more than one year	(150,830)	-	**(150,830)**
Total	(294,031)	222,992	**(71,039)**

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	*Restricted funds 2024 £*	*Total funds 2024 £*
Tangible fixed assets	*190,565*	*62,665*	*253,230*
Intangible fixed assets	*22,274*	*-*	*22,274*
Debtors due after more than one year	*126,370*	*-*	*126,370*
Current assets	*259,140*	*225,740*	*484,880*
Creditors due within one year	*(340,023)*	*(142,820)*	*(482,843)*
Creditors due in more than one year	*(187,902)*	*-*	*(187,902)*
Provisions for liabilities and charges	*(14,025)*	*-*	*(14,025)*
Total	*56,399*	*145,585*	*201,984*

26. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £	*Group 2024 £*
Net income/expenditure for the year (as per Statement of Financial Activities)	**(273,023)**	*29,184*
Adjustments for:		
Depreciation charges	**65,987**	*58,849*
Amortisation charges	**5,742**	*8,829*
Loss on the sale of fixed assets	**4,716**	*-*
Decrease in stocks	**6,959**	*-*
Decrease/(increase) in debtors	**25,434**	*(52,490)*
Increase in creditors	**79,407**	*33,963*
Movement in provisions	**(14,025)**	*14,025*
Net cash provided by/(used in) operating activities	**(98,803)**	*92,360*

27. Analysis of cash and cash equivalents

	Group 2025 £	*Group 2024 £*
Cash in hand	**201,228**	*315,632*
Total cash and cash equivalents	**201,228**	*315,632*

28. Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	**315,632**	**(114,404)**	**201,228**
Debt due within 1 year	**(50,000)**	**25,695**	**(24,305)**
Debt due after 1 year	**(100,000)**	**(21,528)**	**(121,528)**
	165,632	**(110,237)**	**55,395**

29. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £19,716 (2024: £23,688). Contributions totalling £4,327 (2024: £8,705) were payable to the fund at the balance sheet date and are included in creditors.

30. Operating lease commitments

At 31 March 2025 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 £	*Group 2024 £*	**Charity 2025 £**	*Charity 2024 £*
Not later than 1 year	**6,900**	*6,900*	**6,900**	*6,900*
Later than 1 year and not later than 5 years	**20,700**	*27,600*	**20,700**	*27,600*
	27,600	*34,500*	**27,600**	*34,500*

31. Company limited by guarantee

Derby Quad Limited is a company limited by guarantee and accordingly does not have share capital.

Every member of the Company undertakes to contribute such an amount as may be required not exceeding £10 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

32. Related party transactions

K McLay is a director of University of Derby Theatre Limited, Derby Museums and Derby Book Festival and a Trustee of Derby Quad Limited. During the year the charity incurred expenses to the value of £4,630 (2024: £7,473) and received income to the value of £2,700 (2024: £3,560). The charity had creditors due of £Nil (2024: £1,086) and had amounts receivable of £2,500 (2024: £Nil).

DERBY QUAD LIMITED

England & Wales - Charity number 1115546

Accounts

Registered number: 05465412
Charity number: 1115546

DERBY QUAD LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

DERBY QUAD LIMITED
(A company limited by guarantee)

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DERBY QUAD LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

Trustees	M Gregory, Trustee R Jones, Trustee C Sexton, Trustee H N St Cyr, Trustee (resigned 26 March 2024) P Gomes, Trustee (resigned 26 March 2024) R Goldsmith, Trustee L Earle, Trustee A Venkatesh, Trustee G Singleton, Trustee (resigned 1 May 2023) K McLay, Trustee J Luke, Trustee (resigned 26 March 2024) E Flint, Trustee (appointed 26 March 2024) N Powlson, Trustee (appointed 26 March 2024) A Parker, Trustee (appointed 8 May 2024) N Peatfield, Trustee (appointed 8 May 2024)
Company registered number	05465412
Charity registered number	1115546
Registered office	Quad Market Place Cathedral Quarter Derby DE1 3AS
Chief executive officer	E Thornley (appointed 22 July 2024)
Independent auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ
Bankers	Barclays Bank UK PLC Leicester LE87 2BB

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the audited financial statements of the Company and Group for the year 1 April 2023 to 31 March 2024. The Annual Report serves the purposes of both a Trustees' report and a director's report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Group and the Company qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

The trustees report refers to the activities of both the Company and Derby Quad Enterprises Limited.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The Trustees believe that the Charity's aims, together with the activities outlined in this report, are demonstrably to the public benefit.

The principal activity of the charity is the promotion of, education in, development of, and appreciation of the arts. This is in accordance with the objects contained in the Memorandum and Articles of Association, the Charity's governing document.

There has been no material change in the objects of the charity which are:
- Photography, television, video and file and other visual and audio visual Media and Arts,
- Drama, MIME, dramatic improvisation, Literature, original writing and presentation of poetry and prose, dance, song and music generally, painting, sculpture, crafts and
- For the particular but not exclusive benefit of the inhabitants of the City of Derby and County of Derbyshire.

b. Strategies for achieving objectives

QUAD reviews its strategic approach to its objectives annually and believes in an inclusive approach to developing these solutions which improve all staff, Directors, and key stakeholders.

- Ensure a focus on making art, film, and digital media accessible to all
- Pricing policies that enable younger audiences, financially excluded, and minority ethnic audiences, access to our programme
- Ongoing review of all costs to ensure best value for all expenditure
- Continuing use of Board subcommittees
- Maximising insights from external partners
- Enhancing QUAD's environmental credentials through a focus on utility usage with a long-term aim of Carbon Neutrality
- Continuing to develop the relationship with Derby City Council to help develop city wide priorities including wellbeing and the reinvigoration of the city centre
- Closer working with the education sector of the City of Derby to help enhance academic achievement and social inclusion
- Ensure alignment of objectives with those of key stakeholders
- Ensure diversity and inclusivity are at the forefront in making decisions about outputs and targets

c. Activities undertaken to achieve objectives

Hybrid and flexible working was maintained to encourage staff to feel confident in returning to the workplace and to maintain flexibility that enhances work-life balance.

Following the restructuring in 2023, the senior management team and the board of trustees worked closely to assess and adapt to continuing challenges. Frequent engagement took place between the Trustees and staff to ensure the 'living and breathing' of the company's values and behaviours.

Despite necessary adaptation of our programme, we continued to build on our increased profile as a leader in the exploration of digital media in the Midlands. An underlying focus of this was to improve the lives of our audiences through art, film and digital media in a variety of ways with a particular emphasis on deepening the experience that users have with us. Inspired by the world around us, our seasons and vision for our programme look at community, people and the environment. QUAD's 2024 – 2025 activities are informed by a world still emerging from the COVID19 pandemic and other societal events. We are seeking to interrogate a 'new normal', providing platforms for audiences, artists, creatives, technologists, and educators to share inclusive ways to experience culture. The core of our programme through to March 2026 will focus on education and wellbeing, world-class exhibitions and events programme, with environmental responsibility at the core.

d. Volunteers

The use of volunteers enhances the charity's ability to deliver high quality services to participants and audiences by expanding its work in a cost-effective manner and by bringing new skills, enthusiasm, and a fresh perspective to the organisation. Volunteers are accepted from:

- Persons with an interest in becoming involved in some aspect of the Charity's work
- Persons who are looking for work as part of community service activity, student internships, personal development, and professional development.

New volunteers must be able to demonstrate a commitment to the aims and objectives of the charity and will be always expected to discharge their duties in accordance with the charity's procedures and policies.

Achievements and Performance

a. Review of activities

QUAD, like all organisations, continued to suffer significant challenges and slow return of audiences post Covid-19 and the continuing cost of living crisis. As an organisation that generates a significant proportion of its income from earned sources, QUAD is exponentially affected compared to other charities by a drop off in visitor numbers, including a drop off in local nighttime economy.

The levels of public investment have remained steady, and these are crucial to QUAD's long-term success. QUAD recognises the challenges all public bodies face and will continue to work in partnership to find the best value and high impact solutions possible with stakeholders and partners in meeting these challenges and providing public benefit through programmes and activities.

QUAD continues to deliver an excellent programme of exhibitions, cinema, education, and digital media activities and is grateful to its highly committed and dedicated staff, advocates, partners, and Board members for their work and support.

b. Key performance indicators

- In 2023-24 we had 16 artist residencies, 12 from the UK and 4 from rest of the world (4 of these artists identified as BIPOC, 6 identified as disabled/ neurodivergent)
- Number of artists who were employed to deliver work for, by and/or with children and young people aged 0-

19 years as part of 'Learning and Participation Programmes': 29
- Age group(s) QUAD provided physical, in person learning and participation sessions, events or visits: 0-19 mixed ages: 3,179 20+ (Adult or Unspecified): 106
- And online, digital learning and participation sessions, events or visits: only 20 + (Adult or unspecified): 1414
- We commissioned 1 artist, Seema Mattu and commissioned 3 curators (Peggy Sue Amison, No Jobs in the Arts and Aaron Williamson).
- Taking into account on-going FORMAT main festival exhibitions, across 2023-24 we mounted 39 exhibitions (of which 7 were CYP focused) at QUAD and partner venues in Derby, Derbyshire and Leicester. As well as 2 exhibitions in China (Lishui Photo Festival, and 501 Artspace).
- Of this estimated exhibition footfall (including QUAD and partner venues, including estimated outdoors football) was 142,761.

c. Programme highlights

Throughout the financial year 2023-24 QUAD continued a mature and developed programme of contemporary arts focused activities — including exhibitions, commissions and residencies. We continued our partnership working across the gallery and education sectors, and delivered a wide range of creative wellbeing, education & learning and participation activities. The Programme Team continued to work with and support artists, creatives and people of all ages, with a specific focus on those from underrepresented backgrounds. There was also a continued high level of engagement and development in digital and creative new media outputs, as well as lens-based media projects and related activities (such as FORMAT International Photography Festival off year and on year programmes).

- Successful delivery of the Solo exhibition and commissions by Seema Mattu, gender-expansive artist examining discrimination in the Caste system relating to her Valmiki heritage. A focus on queer identity, digital interactive work. Part of QUAD's Summer of Worldbuilding Season.
- FORMAT main biennale Festival took place between 16 March and 9 April 2023, The exhibition, [Re]Source, curated by FORMAT Curator & Coordinator Niamh Treacy launched on 6 November (until 31 December) at Lishui Photography Festival in China. It featured seven artists, many of whom had exhibited as part of FORMAT in the UK: AJR Moxon (UK), Md Fazla Rabbi Fatiq (Bangladesh), Alicia Bruce (UK), Wei Weng (China/Australia), Mary Farmilant (US), Alessandro Mallamaci (Italy), Yzza Slaoui (Morrocco)
- Successful delivery of the interactive digital family friendly exhibition 'Create My World' that took place in QUAD Gallery 1. Alongside this the workshop space 'Play & Display' was equally successful – offering a range of creative activities for children and young people/ families to make works and place them on the walls of QUAD Gallery 2.
- Ongoing creative wellbeing programme: a year-round programme of health, wellbeing and mindfulness focused creative engagement, workshops, events, exhibition visits and film screenings - including working with both exhibiting and freelance artists to co-produce creative work with audiences, often for exhibition. Skills building and improvement of QUAD audience and participants wellbeing through creative activities relating to and influenced by/ influencing QUAD/ FORMAT exhibitions programmes. Continued partnership working with Derbyshire MIND; Carers Derby; The Royal Derby Hospital; Air Arts; Derby National Autistic Society; Culture, Health and Wellbeing Alliance; Derby City Council; Derby Adult Learning Services. Also creative wellbeing projects with inpatients including The Radbourne Unit (people who have experienced a mental health crisis)
- Successful delivery of the 'JOURNEY' exhibition featuring a collection of work created by children and young people from QUAD's Education Programmes. From dedicated projects with artists, school groups and open calls, the work explores the theme of Journey and what Journey means to young people through a myriad of themes and media.
- Artist Lingfei Ren was in residence at QUAD 6-10 November. Lingfei delivered an in-person and live streamed (to students) talk at QUAD on 8 November to University of Derby BA Photography students. 40

students attended the talk. Lingfei also delivered a workshop with the GoldsQUAD group on 8 November to 16 participants.
- FORMAT24 off year exhibition, titled 'Future Now' – in partnership with LCB Depot Leicester – saw over 300 artists apply to an Open Call. 4 UK-based artists (Deacon Lui, Kota Ishida, Melanie King and Sergey Novikov) were selected for exhibition at QUAD.
- The 3-year Schools in Residence programme (begun in Sept 2022, with funds from Paul Hamlyn Foundation) continued successfully
- A Digital Artist Training programme was delivered successfully, with 10 attendees (inc. one bursary place for an artist from an under-represented background).
- The FORMAT portfolio review took place on 22 & 23 March, with 162 artists involved with UK based artists and those from overseas meeting with 70 internationally recognised portfolio reviewers (curators, gallery and festival directors, artists, etc).
- We also successfully partnered with No Jobs in the Arts to support 4 disabled creatives in the East Midlands, that resulted in a 'zine' publication and exhibition alongside the 'Identity…' show in QUAD Gallery 2, from 25 Jan – 25 Feb 2024.
- Successful delivery of FORMAT24 off year exhibition, titled 'Future Now'. 300 artists applied. 4 UK-based artists (Deacon Lui, Kota Ishida, Melanie King and Sergey Novikov) were selected for exhibition at QUAD. This exhibition launched on 15 March 2024 and was accompanied by a virtual artist talk.
- The exhibition 'Future Tense: Living the Future Now' curated by Peggy Sue Amison and featuring 10 artists (Adrian L Burrell (US), Rana Young (US), Zora J. Murff (US), Tanya Habjouqa (JO/US), Matthew Thorn (AU), Derik Lynch (AU), Pádraig Spillane (IE), Aideen Barry (IE), Arko Datto (IN) and Katrin Koenning (DE/AU)) launched at QUAD on 15 March in the main Gallery. In addition, there was 1 x curator and two artists (Pádraig Spillane (IE), Aideen Barry (IE)) in person talk to an audience of 20.

As an organisation that generates a significant proportion of its income from earned sources, QUAD continued to be exponentially affected compared to other charities by the changing visitor patters post-Covid and the growing cost-of-living crisis.

Throughout this year, QUAD recognised this and worked closely with our funding partners and other stakeholders to maintain progress towards our strategic outcomes. We continue to deliver an excellent programme of exhibitions, cinema, education and digital media activities and are very grateful to our highly committed and dedicated staff, advocates, partners and Board members for their work and support.

d. Fundraising activities and income generation

QUAD raises funds through donations, sponsorship, room hire and events. This also incorporates:
- Trust and foundations applications
- Business engagement
- Individual giving

This work is undertaken and overseen by the Senior Management Team at QUAD and direct delivery of activities is managed by QUAD staff. Currently, individual giving activity is focused through online donations via our ticketing website (additional donations can be made as one-off payments as well) and in person in the building.

We monitor progress of funding applications and campaigns through regular meetings that review the status and success/failure of current funding applications.

QUAD has an overarching data protection policy which ensures all activity is compliant with current legislation including GDPR regulations. All fundraising activity is compliant with this policy.

The Café Bar slightly underperformed throughout the year, but coffee and cinema sweets sales were strong. We did see a level of income within the hire of rooms, cinemas and other spaces in the building.

Donations and event income was limited.

e. Investment policy and performance

The Trustee' investment powers are governed by the Memorandum and Articles of Association, which permits the charity's funds to be invested in or on such investments, securities, or property, as may be thought fit.

Financial review

a. Going concern

In preparing the financial statements the Trustees are required to assess the Company's and Group's ability to adopt the going concern basis of accounting.

We are facing ongoing challenges against the cost-of-living crisis which is so keenly felt by Quad, our people and our customers. We are continuing to work diligently through these challenging times thanks to our incredible team of people who are all so passionate about QUADs vision, and to our primary partners.

On top of continued funding from Arts Council England and British Film Institute, we also received an advance of our 2024/25 funding from Derby City Council in March 2024, along with a deferral in the repayment of our interest free loan to help mitigate cash flow risks.

Later in 2024, we agreed a rephasing of our 2025/2026 funding from Arts Council England and received an additional support grant from Derby City Council. On top of this, the team has executed a significant restructuring of the organisation and driven material cost efficiencies whilst maintaining our commitment to the programme.

The Finance Manager has prepared monthly cash flow forecasts through to March 2026, a period covering twelve months from the date of signing the financial statements, which have been approved by the Trustees. These forecasts balance risk and opportunities, take account of the current economic conditions and factor in inflationary cost increases and assume funding levels consistent with those achieved historically, with sensitivity applied to the trading income considering the cost-of-living pressures.

The forecasts show that the Group has sufficient funds to discharge its liabilities when they fall due throughout the forecast period. However, as is common in the charitable sector, the reserves and cash headroom are not of a level that could withstand significant downside sensitivity. Plans and discussions with key stakeholders are continuing in place to minimalize the cash flow risk in 2024/25 and to build further resilience beyond the action taken during 2024. Whilst those discussions continue, further resilience is not guaranteed, and the Trustees have therefore concluded that there are matters that indicate the existence of material uncertainties which may cast significant doubt about the Company’s and/or Group’s ability to continue as a going concern.

Notwithstanding this material uncertainty, having assessed all scenarios and the options available to the Group, the Trustees have formed the judgement that it is appropriate to prepare the financial statements on a going concern basis.

b. Reserves policy

The reserves policy of the charity is to maintain three months net operating costs in unrestricted reserves. Based on the reported results three months operating costs based on staffing, premises and other overhead costs amount to approximately £300,000. The current unrestricted undesignated reserves balance is £56,399 (2023: £93,065). Please refer to the above paragraph for further detail on the going concern status of the Charity.

c. Principal risks and uncertainties

A risk assessment continues to be carried out and monitored during the year by the Board of Trustees who

receive a risk matrix at every meeting, and it is anticipated that this process will continue in the future. Key risks are discussed at Board meetings.

The charity will continue to develop systems to monitor and control risks to mitigate any impact they may have on the charity. The Trustees will examine the major risks that the charity faces each financial year when preparing the strategic plan.

d. Principal funding

The directors are satisfied that the charitable company's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds. All funding sourced is managed according to the requirements of the grant application and regulations of the funding body.

Structure, governance and management

a. Constitution

Derby Quad Limited is based at Quad Market Place, Cathedral Quarter, Derby, DEI 3AS. This is also the company's registered office. Derby Quad Limited is a company limited by guarantee (Company Registration No 05465412) and Registered Charity (No 1115546). The Charity was originally incorporated on 27 May 2005 as Derby Visual Arts and Media Centre Limited and changed its name to Derby Quad Limited on 22 November 2005. The Charity's governing document is the Memorandum and Articles of Association as amended by special resolutions dated 27 February 2006 and 13 April 2006. The company registered as a charity on 24 July 2006.

The principal activity of the group was that of running a charity with the aim to promote the education, development, and appreciation of the Arts.

b. Methods of appointment or election of Trustees

The management of the Group and the Company is the responsibility of the Trustees who are elected and coopted under the terms of the Memorandum and Articles of Association.

c. Organisational structure and decision-making policies

The business of the Group is managed by a Board of Trustees consisting of a minimum of six members including not more than one member nominated by Derby City Council. Board Members are elected at the Annual General Meeting and the Board has powers to appoint Board Members at any time. Board Members so appointed hold office until the following AGM, when they become eligible for re-election as follows:

At the time of the third AGM, and at each subsequent AGM, one third of the Directors must retire and are eligible for re-election. However, a director may not serve for more than 9 years in succession nor be reappointed within 1 year thereafter. Trustees who served in the Board of Trustees during the financial period are listed on page 1.

d. Policies adopted for the induction and training of Trustees

Whenever new Trustees are required, QUAD seeks persons who demonstrate a commitment to the aims and objectives of the charity and who have the specific skills and experience already identified. Following widespread publicising of the posts and receipt of written applications, an informal, first stage selection process is conducted. After a short list procedure, forma) interviews will be held.

If the person is then invited to become a trustee and accepts the invitation, they will receive an introduction pack which will include a description of the organisation and its management structure, a description of the duties and responsibilities of Trustees, copies of all the charity's policies and relevant procedures. Trustees will also be offered access to relevant training opportunities both within and outside of the organisation.

e. Pay policy for key management personnel

The Trustees consider the Board of Directors, who are QUAD's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running, and operating the QUAD on a day-to-day basis.

All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in the accounts.

The pay of the senior staff is reviewed annually through the appraisal system and any increases, although not regularly made, will be based on significant change to job rotes. In view of the nature of the charity, the Directors benchmark against pay levels in other multi artform venues of a similar size with similar income levels.

f. Financial risk management

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

During these challenging economic times the impact of art and culture on the wellbeing of the population cannot be underestimated. QUAD's strategic importance to Derby's cultural offer and the role it plays in the wider cultural life of the UK is highly regarded.

Now substantially through the second year of our three-year funding from Arts Council England, we continue to grow on our profile as a leader in the exploration of digital media in the Midlands. In spite of the challenges we describe elsewhere in this Report, we have been able to maintain our key objectives for the Charity, consistent with those set out last year. These include:

1. Increase diversity amongst our audiences and enhance our cultural offer;
2. Continue to increase visitors and audience numbers;
3. Increase and focus on depth of experience through the programme;
4. Continue to grow national and international reputation;
5. Utilise our strengths relating to wellbeing activities to fit in line with City principles and maintain an engaged, motivated and skilled team; and
6. Evolve the business model to respond to the challenges of the current economic environment.

Whilst 2024 challenges forced a shorter-term perspective on our activities, the Board has been able to redefine our long-term strategy and put QUAD in the position to accelerate progress on these objectives over the next 12 months. We continue to measure and monitor agreed KPI's year on year. We stay in close contact with all of QUADs stakeholders to ensure we comply with our funding commitments; and we continue to meet more regularly to monitor risks to delivery of the objectives.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Bates Weston, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

M Gregory
(Chair of Trustees)
Date: 30 January 2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DERBY QUAD LIMITED

Opinion

We have audited the financial statements of Derby Quad Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Material uncertainty related to going concern

We draw attention to Note 2.2 in the financial statements, which indicates that the group continues to face a challenging operating environment against the cost-of-living crisis and wider economic conditions. As stated in Note 2.2, these events or conditions, along with other matters as set forth in Note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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.
- 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 our knowledge and understanding of the charitable company 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 Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, 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; 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 Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' report that includes our

opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charity and sector in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. Audit procedures performed by the engagement team included:

- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 Auditors' 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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Sean Douglass FCA (Senior statutory auditor)
for and on behalf of
Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

31 January 2025

DERBY QUAD LIMITED

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income from:					
Donations and legacies	4	**39,138**	**-**	**39,138**	*7,273*
Charitable activities	5	**1,624,226**	**224,422**	**1,848,648**	*1,732,844*
Other trading activities	7	**643,205**	**-**	**643,205**	*634,879*
Investments	8	**1,109**	**-**	**1,109**	*51*
Total income		**2,307,678**	**224,422**	**2,532,100**	*2,375,047*
Expenditure on:					
Raising funds	9	**621,331**	**-**	**621,331**	*611,325*
Charitable activities	10	**1,723,013**	**158,572**	**1,881,585**	*2,110,400*
Total expenditure		**2,344,344**	**158,572**	**2,502,916**	*2,721,725*
Net movement in funds		**(36,666)**	**65,850**	**29,184**	*(346,678)*
Reconciliation of funds:					
Total funds brought forward		**93,065**	**79,735**	**172,800**	*519,478*
Net movement in funds		**(36,666)**	**65,850**	**29,184**	*(346,678)*
Total funds carried forward		**56,399**	**145,585**	**201,984**	*172,800*

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 19 to 39 form part of these financial statements.

DERBY QUAD LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 05465412

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

	Note		2024 £		*2023 £*
Fixed assets					
Intangible assets	15		**22,274**		*13,391*
Tangible assets	16		**253,230**		*250,956*
			275,504		*264,347*
Current assets					
Stocks	18	**11,124**		*11,125*	
Debtors	19	**284,494**		*244,598*	
Cash at bank and in hand		**315,632**		*152,107*	
		611,250		*407,830*	
Creditors: amounts falling due within one year	20	**(482,843)**		*(499,377)*	
Net current assets / liabilities			**128,407**		*(91,547)*
Total assets less current liabilities			**403,911**		*172,800*
Creditors: amounts falling due after more than one year	21		**(187,902)**		-
Provisions for liabilities	22		**(14,025)**		-
Total net assets			**201,984**		*172,800*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

	Note	2024 £	*2023 £*
Charity funds			
Restricted funds	23	**145,585**	*79,735*
Unrestricted funds	23	**56,399**	*93,065*
Total funds		**201,984**	*172,800*

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

M Gregory
(Chair of Trustees)
Date: 30 January 2025

The notes on pages 19 to 39 form part of these financial statements.

DERBY QUAD LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 05465412

CHARITY BALANCE SHEET
AS AT 31 MARCH 2024

	Note		2024 £		*2023 £*
Fixed assets					
Intangible assets	15		**22,274**		*13,391*
Tangible assets	16		**245,097**		*244,601*
Investments	17		**1**		*1*
			267,372		*257,993*
Current assets					
Debtors	19	**313,915**		*277,089*	
Cash at bank and in hand		**221,633**		*81,621*	
		535,548		*358,710*	
Creditors: amounts falling due within one year	20	**(426,023)**		*(448,933)*	
Net current assets / liabilities			**109,525**		*(90,223)*
Total assets less current liabilities			**376,897**		*167,770*
Creditors: amounts falling due after more than one year	21		**(187,902)**		-
Provisions for liabilities	22		**(14,025)**		-
Total net assets			**174,970**		*167,770*

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

	Note	2024 £	*2023 £*
Charity funds			
Restricted funds	23	**162,655**	*79,735*
Unrestricted funds	23	**12,315**	*88,035*
Total funds		**174,970**	*167,770*

The Charity's net movement in funds for the year was £7,200 *(2023 - £(344,339))*.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

M Gregory

Date: 30 January 2025

The notes on pages 19 to 39 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	*2023* *£*
Cash flows from operating activities		
Net cash used in operating activities	**92,360**	*(97,663)*
Cash flows from investing activities		
Purchase of intangible assets	**(17,712)**	*-*
Purchase of tangible fixed assets	**(61,123)**	*(96,214)*
Net cash used in investing activities	**(78,835)**	**(96,214)**
Cash flows from financing activities		
Cash inflows from new borrowing	**150,000**	*-*
Net cash provided by financing activities	**150,000**	**-**
Change in cash and cash equivalents in the year	**163,525**	**(193,877)**
Cash and cash equivalents at the beginning of the year	**152,107**	*345,984*
Cash and cash equivalents at the end of the year	**315,632**	*152,107*

The notes on pages 19 to 39 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. General information

Derby Quad Limited is based at Quad Market Place, Cathedral Quarter, Derby, DE1 3AS. This is also the company's registered office. Derby Quad Limited is a company limited by guarantee. Company Registration No 05465412 and Registered Charity No 1115546.

The principle activity of the group was that of running a charity with the aim to promote the education, development and appreciation of the Arts.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Derby Quad Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated 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 taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

In preparing the financial statements the Trustees are required to assess the Company's and Group's ability to adopt the going concern basis of accounting.

We are facing ongoing challenges against the cost-of-living crisis which is so keenly felt by Quad, our people and our customers. We are continuing to work diligently through these challenging times thanks to our incredible team of people who are all so passionate about QUADs vision, and to our primary partners.

On top of continued funding from Arts Council England and British Film Institute, we also received an advance of our 2024/25 funding from Derby City Council in March 2024, along with a deferral in the repayment of our interest free loan to help mitigate cash flow risks.

Later in 2024, we agreed a rephasing of our 2025/2026 funding from Arts Council England and received an additional grant from Derby City Council. On top of this, the team has executed a significant restructuring of the organisation and driven material cost efficiencies whilst maintaining our commitment to the programme.

The Finance Manager has prepared monthly cash flow forecasts through to March 2026, a period covering twelve months from the date of signing the financial statements, which have been approved by the Trustees. These forecasts balance risk and opportunities, take account of the current economic conditions and factor in inflationary cost increases and assume funding levels consistent

2. Accounting policies (continued)

with those achieved historically, with sensitivity applied to the trading income considering the cost-of-living pressures.

The forecasts show that the Group has sufficient funds to discharge its liabilities when they fall due throughout the forecast period. However, as is common in the charitable sector, the reserves and cash headroom are not of a level that could withstand significant downside sensitivity. Plans and discussions with key stakeholders are continuing in place to minimalize the cash flow risk in 2024/25 and to build further resilience beyond the action taken during 2024. Whilst those discussions continue, further resilience is not guaranteed, and the Trustees have therefore concluded that there are matters that indicate the existence of material uncertainties which may cast significant doubt about the Company's and/or Group's ability to continue as a going concern.

Notwithstanding this material uncertainty, having assessed all scenarios and the options available to the Group, the Trustees have formed the judgement that it is appropriate to prepare the financial statements on a going concern basis.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2. Accounting policies (continued)

2.5 Intangible assets and amortisation

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Website	-	5 years

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Over the life of the lease
Fixtures and fittings	- 10 - 20% straight line
Office equipment	- 20% straight line

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2. Accounting policies (continued)

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.12 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

2.14 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.15 Fund accounting

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

2. Accounting policies (continued)

2.15 Fund accounting (continued)

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions used by the Group are not deemed to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from donations and legacies

	Unrestricted funds 2024 £	**Total funds 2024 £**	*Total funds 2023 £*
Donations	39,138	**39,138**	*7,273*
Total 2023	*7,273*	*7,273*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

5. Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Derby City Council	200,000	-	**200,000**	*100,000*
Derby City Council (rent in kind)	260,000	-	**260,000**	*260,000*
Projects grants	-	176,155	**176,155**	*336,165*
Arts Council England	466,176	-	**466,176**	*466,176*
Other charitable activities (note 6)	698,050	48,267	**746,317**	*570,503*
	1,624,226	224,422	**1,848,648**	*1,732,844*
Total 2023	*1,502,848*	*229,996*	*1,732,844*	

6. Income from other charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Cinema takings	394,575	-	**394,575**	*298,598*
Other fees and commissions	260,105	48,267	**308,372**	*213,516*
Advertising income	19,541	-	**19,541**	*19,869*
Membership	23,829	-	**23,829**	*38,520*
	698,050	48,267	**746,317**	*570,503*

7. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Cafe bar income	484,209	**484,209**	*442,808*
Room hire	48,563	**48,563**	*44,639*
Tech squad and game time	68,869	**68,869**	*79,991*
Sponsorship	1,188	**1,188**	*12,394*
Workshop / training	40,477	**40,477**	*44,678*
Shop income	(101)	**(101)**	*10,369*
	643,205	**643,205**	*634,879*

8. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Interest receivable	1,109	**1,109**	*51*

9. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Marketing costs	312	**312**	*145*
Premises costs	1,280	**1,280**	*913*
Other trading costs	282,114	**282,114**	*269,166*
Professional fees and board expenses	1,566	**1,566**	*621*
Interest payable	505	**505**	*336*
Wages and salaries	310,098	**310,098**	*310,676*
National insurance	17,411	**17,411**	*20,293*
Pension costs	5,593	**5,593**	*6,537*
Depreciation	2,452	**2,452**	*2,638*
	621,331	**621,331**	*611,325*

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	*Total 2023 £*
Direct costs	1,723,013	158,572	**1,881,585**	*2,110,400*
Total 2023	*2,093,518*	*16,882*	*2,110,400*	

11. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	*Total funds 2023 £*
Direct costs	474,614	1,406,971	**1,881,585**	*2,110,400*
Total 2023	*630,879*	*1,479,521*	*2,110,400*	

Analysis of support costs

	Total funds 2024 £	*Total funds 2023 £*
Staff costs	**611,916**	*745,295*
Depreciation	**65,224**	*71,518*
Other costs	**89,764**	*91,989*
Premises costs and insurance	**619,569**	*548,114*
Professional fees and board expenses	**20,498**	*22,605*
	1,406,971	*1,479,521*

12. Auditors' remuneration

	2024 £	*2023 £*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**7,500**	*7,875*

13. Staff costs

	Group 2024 £	*Group 2023 £*	Charity 2024 £	*Charity 2023 £*
Wages and salaries	**922,014**	*1,153,816*	**611,916**	*843,140*
Social security costs	**53,164**	*72,234*	**35,753**	*51,941*
Contribution to defined contribution pension schemes	**27,300**	*34,109*	**21,707**	*27,572*
	1,002,478	*1,260,159*	**669,376**	*922,653*

The average number of persons employed by the Charity during the year was as follows:

	Group 2024 No.	*Group 2023 No.*	Charity 2024 No.	*Charity 2023 No.*
Charitable activities	**55**	*69*	**32**	*44*
Management and administration	**8**	*8*	**8**	*8*
	63	*77*	**40**	*52*

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of Derby Quad Limited comprise of the CEO, Artistic Director, Marketing Manager, Accounts Manager, Technical Services Manager, Format Director, Programme Manager, HR Manager and two Visitor Services Managers. The total amount of employee benefits received by key management personnel was £224,652 (2023: £183,115).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2023 - £NIL)*.

During the year ended 31 March 2024, no Trustee expenses have been incurred *(2023 - £NIL)*.

15. Intangible assets

Group and Charity

	Website £
Cost	
At 1 April 2023	**35,200**
Additions	**17,712**
At 31 March 2024	**52,912**
Amortisation	
At 1 April 2023	**21,809**
Charge for the year	**8,829**
At 31 March 2024	**30,638**
Net book value	
At 31 March 2024	**22,274**
At 31 March 2023	*13,391*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

16. Tangible fixed assets

Group

	Long-term leasehold property improvements £	Cinema and other equipment £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2023	**266,434**	**418,134**	**279,588**	**501,442**	**1,465,598**
Additions	**-**	**680**	**45,618**	**14,825**	**61,123**
At 31 March 2024	**266,434**	**418,814**	**325,206**	**516,267**	**1,526,721**
Depreciation					
At 1 April 2023	**204,294**	**387,280**	**200,758**	**422,310**	**1,214,642**
Charge for the year	**3,106**	**10,399**	**18,036**	**27,308**	**58,849**
At 31 March 2024	**207,400**	**397,679**	**218,794**	**449,618**	**1,273,491**
Net book value					
At 31 March 2024	**59,034**	**21,135**	**106,412**	**66,649**	**253,230**
At 31 March 2023	*62,140*	*30,854*	*78,830*	*79,132*	*250,956*

16. Tangible fixed assets (continued)

Charity

	Long-term leasehold property improvements £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2023	**266,434**	**394,407**	**262,765**	**501,442**	**1,425,048**
Additions	**-**	**680**	**41,388**	**14,825**	**56,893**
At 31 March 2024	**266,434**	**395,087**	**304,153**	**516,267**	**1,481,941**
Depreciation					
At 1 April 2023	**204,294**	**369,029**	**184,814**	**422,310**	**1,180,447**
Charge for the year	**3,106**	**8,365**	**17,618**	**27,308**	**56,397**
At 31 March 2024	**207,400**	**377,394**	**202,432**	**449,618**	**1,236,844**
Net book value					
At 31 March 2024	**59,034**	**17,693**	**101,721**	**66,649**	**245,097**
At 31 March 2023	*62,140*	*25,378*	*77,951*	*79,132*	*244,601*

17. Fixed asset investments

Charity	Investments in subsidiary companies £
Cost	
At 1 April 2023	**1**
At 31 March 2024	**1**
Net book value	
At 31 March 2024	**1**
At 31 March 2023	*1*

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
Derby Quad Enterprises Limited	06643908	Quad Market Place, Cathedral Quarter, Derby, DE1 3AS	Ordinary	100%

Included in consolidation

Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit £	Net assets £
Derby Quad Enterprises Limited	**643,314**	**(621,328)**	**21,986**	**27,013**

18. Stocks

	Group 2024 £	*Group 2023 £*
Shop and cafe stock	**11,124**	*11,125*

19. Debtors

	Group 2024 £	*Group 2023 £*	Charity 2024 £	*Charity 2023 £*
Due after more than one year				
Other debtors	**126,370**	*133,504*	**126,370**	*133,504*
	126,370	*133,504*	**126,370**	*133,504*
Due within one year				
Trade debtors	**35,399**	*5,149*	**28,256**	*1,245*
Amounts owed by group undertakings	**-**	*-*	**38,223**	*41,402*
Other debtors	**9,502**	*9,155*	**7,843**	*9,151*
Prepayments and accrued income	**16,382**	*32,283*	**16,382**	*27,280*
Grants receivable	**96,841**	*64,507*	**96,841**	*64,507*
	284,494	*244,598*	**313,915**	*277,089*

20. Creditors: Amounts falling due within one year

	Group 2024 £	*Group 2023 £*	Charity 2024 £	*Charity 2023 £*
Other loans	**50,000**	*-*	**50,000**	*-*
Trade creditors	**115,932**	*190,445*	**108,126**	*164,273*
Other taxation and social security	**38,081**	*33,219*	**6,790**	*13,557*
Other creditors	**12,582**	*9,358*	**9,859**	*6,356*
Accruals and deferred income	**266,248**	*266,355*	**251,248**	*264,747*
	482,843	*499,377*	**426,023**	*448,933*

Creditors: Amounts falling due within one year (continued)

	Group 2024 £	*Group 2023 £*	Charity 2024 £	*Charity 2023 £*
Deferred income at 1 April 2023	**79,513**	*11,858*	**78,513**	*11,858*
Resources deferred during the year	**168,457**	*79,513*	**155,065**	*78,513*
Amounts released from previous periods	**(79,513)**	*(11,858)*	**(79,513)**	*(11,858)*
	168,457	*79,513*	**154,065**	*78,513*

21. Creditors: Amounts falling due after more than one year

	Group 2024 £	*Group 2023 £*	Charity 2024 £	*Charity 2023 £*
Other loans	**100,000**	-	**100,000**	-
Accruals	**87,902**	-	**87,902**	-
	187,902	-	**187,902**	-

22. Provisions

Group and Charity

	Other provision £
Additions	**14,025**
	14,025

23. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Balance at 31 March 2024 £
Unrestricted funds				
Reserves	**93,065**	**2,307,678**	**(2,344,344)**	**56,399**
Restricted funds				
Capital Grants	**79,735**	**-**	**(17,070)**	**62,665**
Other projects and grants	**-**	**176,155**	**(83,685)**	**92,470**
FORMAT Festival	**-**	**48,267**	**(57,817)**	**(9,550)**
	79,735	**224,422**	**(158,572)**	**145,585**
Total of funds	**172,800**	**2,532,100**	**(2,502,916)**	**201,984**

Statement of funds - prior year

	Balance at 1 April 2022 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Balance at 31 March 2023 £*
Unrestricted funds					
Reserves	*353,340*	*2,123,934*	*(2,479,343)*	*95,134*	*93,065*
Restricted funds					
Other projects and grants	*84,844*	*150,228*	*(111,276)*	*(123,796)*	*-*
FORMAT Festival	*-*	*79,768*	*(108,430)*	*28,662*	*-*
Capital grants	*81,294*	*21,117*	*(22,676)*	*-*	*79,735*
	166,138	*251,113*	*(242,382)*	*(95,134)*	*79,735*
Total of funds	*519,478*	*2,375,047*	*(2,721,725)*	*-*	*172,800*

24. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Balance at 31 March 2024 £
General funds	**93,065**	**2,307,678**	**(2,344,344)**	**56,399**
Restricted funds	**79,735**	**224,422**	**(158,572)**	**145,585**
	172,800	**2,532,100**	**(2,502,916)**	**201,984**

Summary of funds - prior year

	Balance at 1 April 2022 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Balance at 31 March 2023 £*
General funds	*353,340*	*2,123,934*	*(2,479,343)*	*95,134*	*93,065*
Restricted funds	*166,138*	*251,113*	*(242,382)*	*(95,134)*	*79,735*
	519,478	*2,375,047*	*(2,721,725)*	*-*	*172,800*

25. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	190,565	62,665	**253,230**
Intangible fixed assets	22,274	-	**22,274**
Debtors due after more than one year	126,370	-	**126,370**
Current assets	259,140	225,740	**484,880**
Creditors due within one year	(340,023)	(142,820)	**(482,843)**
Creditors due in more than one year	(187,902)	-	**(187,902)**
Provisions for liabilities and charges	(14,025)	-	**(14,025)**
Total	56,399	145,585	**201,984**

25. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	*Restricted funds 2023 £*	*Total funds 2023 £*
Tangible fixed assets	*171,221*	*79,735*	*250,956*
Intangible fixed assets	*13,391*	*-*	*13,391*
Debtors due after more than one year	*133,504*	*-*	*133,504*
Current assets	*274,326*	*-*	*274,326*
Creditors due within one year	*(499,377)*	*-*	*(499,377)*
Total	*93,065*	*79,735*	*172,800*

26. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	*Group 2023 £*
Net income/expenditure for the period (as per Statement of Financial Activities)	**29,184**	*(346,678)*
Adjustments for:		
Depreciation charges	**58,849**	*65,953*
Amortisation charges	**8,829**	*5,564*
Decrease/(increase) in stocks	**-**	*(854)*
Decrease/(increase) in debtors	**(24,440)**	*70,018*
Increase in creditors	**33,963**	*108,334*
Increase in provisions	**(14,025)**	*-*
Net cash provided by/(used in) operating activities	**92,360**	*(97,663)*

27. Analysis of cash and cash equivalents

	Group 2024 £	*Group 2023 £*
Cash in hand	**315,632**	*152,107*
Total cash and cash equivalents	**315,632**	*152,107*

28. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	**152,107**	**163,525**	**315,632**
Debt due within 1 year	**-**	**(50,000)**	**(50,000)**
Debt due after 1 year	**-**	**(100,000)**	**(100,000)**
	152,107	**13,525**	**165,632**

29. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £23,668 (2023: £34,109). Contributions totalling £8,705 (2023: £6,356) were payable to the fund at the balance sheet date and are included in creditors.

30. Operating lease commitments

At 31 March 2024 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £	*Group 2023 £*	Charity 2024 £	*Charity 2023 £*
Not later than 1 year	**6,900**	*3,168*	**6,900**	*3,168*
Later than 1 year and not later than 5 years	**27,600**	-	**27,600**	-
	34,500	*3,168*	**34,500**	*3,168*

31. Company limited by guarantee

Derby Quad Limited is a company limited by guarantee and accordingly does not have share capital.

Every member of the Company undertakes to contribute such an amount as may be required not exceeding £10 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

32. Related party transactions

K McLay is a director of University of Derby Theatre Limited, Derby Museums and Derby Book Festival and a Trustee of Derby Quad Limited. During the year the charity incurred expenses to the value of £7,464 (2023: £9,095) and received income to the value of £Nil (2023: £1,200). The charity had creditors due of £1,086 (2023: £5,632)

S Loates is a director of Loates Business Solutions Limited and was a Trustee of Derby Quad Limited in 2023. During the year the charity incurred expenditure of £Nil (2023: £4,422) and had creditors due of £Nil (2023: £1,692).

DERBY QUAD LIMITED

England & Wales - Charity number 1115546

Accounts

Registered number: 05465412
Charity number: 1115546

DERBY QUAD LIMITED

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

DERBY QUAD LIMITED
(A Company Limited by Guarantee)

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DERBY QUAD LIMITED

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Trustees	M Gregory, Trustee R Jones, Trustee C Sexton, Trustee H N St Cyr, Trustee P Gomes, Trustee R Goldsmith, Trustee L Earle, Trustee A Buss, Trustee (resigned 31 October 2022) A Venkatesh, Trustee G Singleton, Trustee (resigned 1 May 2023) K McLay, Trustee J Luke, Trustee (appointed 1 November 2022) T Prosser, Trustee (resigned 22 July 2022) B Udeh, Trustee (resigned 10 May 2022) S Loates, Trustee (resigned 22 July 2022)
Company registered number	05465412
Charity registered number	1115546
Registered office	Quad Market Place Cathedral Quarter Derby DE1 3AS
Independent auditors	PKF Smith Cooper Audit Limited Statutory Auditors Prospect House 1 Prospect Place Millennium Way Derby DE24 8HG
Bankers	Barclays Bank UK PLC Leicester LE87 2BB

DERBY QUAD LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the Company and Group for the year. 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Group and the Company qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

The trustees report refers to the activities of both the Company and Derby Quad Enterprises Limited.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The Trustees believe that the Charity's aims, together with the activities outlined in this report, are demonstrably to the public benefit.

The principal activity of the charity is the promotion of, education in, development of, and appreciation of the arts. This is in accordance with the objects contained in the Memorandum and Articles of Association, the Charity's governing document.

There has been no material change in the objects of the charity which are:
- Photography, television, video and file and other visual and audio visual Media and Arts,
- Drama, MIME, dramatic improvisation, literature, original writing and presentation of poetry and prose, dance, song and music generally, painting, sculpture, crafts and
- For the particular but not exclusive benefit of the inhabitants of the City of Derby and County of Derbyshire.

b. Strategies for achieving objectives

QUAD reviews its strategic approach to its objectives annually and believes in an inclusive approach to developing these solutions which improve all staff, directors, and key stakeholders.

- Ensure a focus on making art, film, and digital media accessible to all
- Pricing policies that enable younger audiences, financially excluded, and minority ethnic audiences, access to our programme
- Ongoing review of all costs to ensure best value for all expenditure
- Continuing use of Board subcommittees
- Maximising insights from external partners
- Enhancing QUAD's environmental credentials through a focus on utility usage with a long-term aim of Carbon Neutrality
- Continuing to develop the relationship with Derby City Council to help develop city wide priorities including wellbeing and the reinvigoration of the city centre
- Closer working with the education sector of the City of Derby to help enhance academic achievement and social inclusion
- Ensure alignment of objectives with those of key stakeholders
- Ensure diversity and inclusivity are at the forefront in making decisions about outputs and targets

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

Post-Covid, hybrid and flexible working was maintained to encourage staff to feel confident in returning to the workplace and to maintain flexibility that enhances work-life balance.

Whole staff workshops were carried out throughout the year to develop 'values and behaviours' consistent with our objectives. Frequent engagement took place between the Trustees and staff to ensure the 'living and breathing' of those values and behaviours.

Following continued challenges faced by both the aftermath of Covid and also the cost-of-living pressures felt by all, the senior management team and board of trustees worked closely to develop restructuring plans for execution throughout 2023.

QUAD was delighted to receive confirmation that it has been successful in securing funding from Arts Council England of £1.4m over the 3 years to March 2026. We will continue to build on our increased profile as a leader in the exploration of digital media in the Midlands. An underlying focus of this is to improve the lives of our audiences through art, film and digital media in a variety of ways with a particular emphasis on deepening the experience that users have with us. Inspired by the world around us, our seasons and vision for our programme will look at community, people and the environment. QUAD's 2023 – 2024 activities are informed by a world still emerging from the COVID19 pandemic. We will seek to interrogate a 'new normal', providing platforms for audiences, artists, creatives, technologists, and educators to share inclusive ways to experience culture. The core of our programme through to March 2026 will focus on education and wellbeing, world-class exhibitions and events programme, with environmental responsibility at the core.

d. Volunteers

The use of volunteers enhances the charity's ability to deliver high quality services to participants and audiences by expanding its work in a cost-effective manner and by bringing new skills, enthusiasm, and a fresh perspective to the organisation. Volunteers are accepted from:

- Persons with an interest in becoming involved in some aspect of the Charity's work
- Persons who are looking for work as part of community service activity, student internships, personal development, and professional development.

New volunteers must be able to demonstrate a commitment to the aims and objectives of the charity and will be always expected to discharge their duties in accordance with the charity's procedures and policies.

Achievements and performance

a. Review of activities

QUAD like all organisations continued to suffer significant challenges brought on by the Covid-19 pandemic and the increased cost of living. As an organisation that generates a significant proportion of its income from earned sources, QUAD is exponentially affected compared to other charities by a drop off in visitor numbers, that have not yet returned to pre pandemic levels.

The levels of public investment have remained steady, and these are crucial to QUAD's long-term success. QUAD recognises the challenges all public bodies face and will continue to work in partnership to find the best value and high impact solutions possible with stakeholders and partners in meeting these challenges and providing public benefit through programmes and activities.

QUAD continues to deliver an excellent programme of exhibitions, cinema, education, and digital media activities and is grateful to its highly committed and dedicated staff, advocates, partners, and Board members for their work and support.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

b. Key performance Indicators

- Approximately 220,220 participants were reached through the programme across the 2022—23 financial year.
- Included in the above and over the 2022-23 year we saw 10,945 engagements across the education, learning and participatory programmes at QUAD.
- In total there were 64 onsite, offsite and virtual exhibitions, of which 7 were CYP specific.
- 12 artists were commissioned, of which 9 were from the UK, 3 were international, 6 were BIPOC, 1 was LGBT+.
- 24 artists undertook residencies, of which 19 were from the UK, 5 were international; 8 were BIPOC, 6 were LGBT+.

Achievements and performance (continued)

c. Programme highlights

Throughout the financial year 2022-23 QUAD continued a mature and developed programme of contemporary arts focused activities – including exhibitions, commissions and residencies. We developed partnership working across the gallery and education sectors, and delivered a wide-range of creative wellbeing, education & learning and participation activities. The Programme Team continued to work with and support artists, creatives and people of all ages, with a specific focus on those from underrepresented backgrounds. There was also a continued high level of engagement and development in digital and creative new media outputs, as well as lens-based media projects and related activities (such as FORMAT International Photography Festival off year and on year programmes).

- QUAD produced 64 exhibitions across the 2022-23 financial year, including 7 that were CYP specific. These exhibitions took place at QUAD and offsite venues around Derby (such as Derby Cathedral; Derby Museums/ Museum of Making; Deda, and the University of Derby) as well as online (e.g: FORMAT21 virtual festival on the New Art City website, which is continuing past the original cut-off point of April 2023).
- Across the year 209,184 people physically attended QUAD's onsite and offsite exhibitions programme (of which 183,631 were estimated), of which 25,440 people attended CYP specific exhibitions.
- Online exhibitions: the FORMAT21 virtual festival was visited by 23,779 people; other online exhibition activity included Kipya Ki? (that also had a physical iteration and included 5 BIPOC artists from across East Africa) that had an estimated attendance of 1000; and 'Citizens of a Robot World' took place on the New Art City platform, and was CYP focused, with an estimated attendance of 500.
- There were 3413 attendees for live talks/ tours/ events (eg: artist talks); of which there were 51 talks/ tours/ events in total, including 13 that were delivered online.
- The People's Picture mosaic mural wrap on the exterior of the Box at QUAD was on display until 1 May 2022, with estimated audiences of 25,000.
- Exhibitions relating to FORMAT22 off year programme continued until 3 July 2022 – including 'The Cultural Evolution: Identity, Performance and Fashion' curated by Azu Nwagbogu, director of Lagos Photo Festival and featuring 5 BIPOC artists, of which 1 identified as LGBT+; plus 'Disruption Presents AMP Voices' in the QUAD Extra Gallery Spaces featuring 4 BIPOC artists, and 'Unpacking the Suitcase' in the Resource Area were visited by an estimated 12,000 people.
- QUAD commissioned new interactive digital work by Nottingham-based artist Bruce Asbestos for his exhibition in QUAD Gallery 'Eye of Newt 2.0' (in partnership with The Bluecoat, Liverpool). The exhibition took place between 23 July and 30 October 2022.
- We staged Bruce's art/ catwalk show 'GOBLANDS S/S 2023' that featured 20 models drawn from our local community, of which 4 were BIPOC; 2 identified as disabled and 2 identified as LGBT+.
- Alongside Bruce's exhibition In QUAD Extra Gallery Spaces we presented the exhibition 'Play During the Pandemic' featuring 4 artists drawn from a UK-wide open call. Of the 4, 1 identified as BIPOC, and 1 identified as disabled.
- From 19 November 2022 to 5 February 2023 we presented in QUAD Gallery a new commission by internationally renowned digital/ sound artist Lawrence Lek (China/ UK). The exhibition and new commission was titled 'Nepenthe (Summer Palace Ruins)' and featured a playable game digital artwork.
- Ashley Holmes – a Birmingham-based BIPOC artist – produced the exhibition 'We Came the Long Way, and I Thought You Knew' in QUAD Extra Gallery Spaces From 19 November 2022 to 5 February 2023. It featured sound works and wall based constructions.
- Artists Bruce Asbestos and Seema Mattu were each appointed QUAD International Digital Fellows 2022 – 2023.
- Digital Participation Artist Alison Goodyear was appointed in February 2023, with plans to deliver workshops in August 2023.
- FORMAT International Photography Festival (FORMAT23) took place across 16 venues and included 26 exhibitions that featured more than 200 artists from 55 countries. The festival was attended by over 400 leading photographers and critics, curators and industry professionals who descended on Derby for the festivals opening weekend, that took place 16 – 19 March 2023 (with the main festival continuing to 9 April 2023, with a number of exhibitions continuing until July 2023.
- For FORMAT23 main festival, the Picturing High Streets open call exhibition in partnership with Historic England took place at Derby bus station, train station and in Market Place outside of QUAD and was visited by an estimated 75,000 people between 17 and 31 March 2023.

Achievements and performance (continued)

- Commissions highlights for FORMAT23 included 'A Perfect Sentence' by Oliver Frank Chanarin in partnership with Forma and Derby Museums; 'Gathering Light' by Louise Beer in partnership with Derby Cathedral. In addition we commissioned Derby-based artists including: Sofia Yala for 'Constellations of Dust' in partnership with WW Winter Photographic Studio, and Thomas Wynne for his project 'Into the Promittocene' in partnership with Wireworks Project.
- For FORMAT23 we partnered with 501 Artspace in Chongqing China to produce the exhibition 'Gestures of Resistance' featuring curators and artists from the UK and China.
- The Historic England funded socially engaged project 'Picturing England's High Streets' continued through end of financial year 2023 (continuing into 2023-24). It is a partnership with 8 UK based arts organisations including Photoworks; Open Eye, and The Photographers Gallery. QUAD selected artist Khatun to produce 10 x socially engaged artworks, 10 x artists' works, 1 x site specific exhibition, 5 x workshops.
- Creative Wellbeing: the Children in Need funded project relating to QClub (for autistic children and families) and QClub Hands and Voice (for autistic/deaf children and families) ended in September 2022. A report submitted to Children in Need in October 2022 found that 95 children benefited from the project in the final year, of which 87 were classified as 'disadvantaged'. It also found that 57 children had experienced significant progress in their development (eg: relating to self-esteem and confidence) as part of the programme. There was also an increase in creative digital skills, and a reduction in social isolation.
- Creative Wellbeing & Participation: The Garfield Weston Uplift Project also culminated in October 2022. Across continuing activities such as: GoldsQUAD; Mindful Crafts; Mindful Mondays; Digital Photography workshops at the Radbourne Unit the Uplift enabled additional engagement with 1594 people in creative workshops, and also included QUAD staff training activities.
- Creative Wellbeing: GoldsQUAD continued to offer creative activities on a weekly basis to people aged over 50, with 832 people engaging with the activity over the year. Also continuing was Mindful Crafts in partnership with Derbyshire Mind and providing fortnightly creative workshops for people with mental health conditions, with 390 engagements across the year.
- Education/ Creative Wellbeing: From 1 April 2022 – 31 March 2023 QUAD's education and creative wellbeing programme worked with: 38 artists (majority of which locally based to Derby); 57 educational establishments and 8 health & wellbeing/ LCEP organisations.
- Education: Through the wider Education programme QUAD engaged a high number of participants (4664) of which 25% are ethnically diverse, and 11% SEN.
- Education: QUAD the formal education programme QUAD offered 130 creative sessions across the year, engaging with 3370 young people from ages 5 to 21. For the Informal programme we offered 219 creative sessions across the year, engaging with 2400 young people from ages 5 to 21.
- In May 2022 QUAD was successful in securing a 3-year grant of £192,500 from the Paul Hamlyn Foundation for the Schools in Residence programme to support and work with teachers and underrepresented students at Pear Tree Community Junior School, Horizons 6th Form and Derby Moor Academy. This project involves creative workshops and CPD, enabling QUAD to remove barriers to schools accessing high quality creative enrichment on a regular basis.
- In November 2022 QUAD was successful in securing a conditional offer for NPO funding for the period 2023-26 from Arts Council England. This funding totaling £1,398,528 over the three-year period and was formally agreed in January 2023.
- In November 2023 QUAD secured an £80,000 grant from National Lottery Heritage Fund for the community focused heritage project 'Dancing Through Time: From Pop to Punk in the City of Derby'.

As an organisation that generates a significant proportion of its income from earned sources, QUAD continued to be exponentially affected compared to other charities by the changing visitor patters post-Covid and the growing cost-of-living crisis.

Throughout this year, QUAD recognised this and worked closely with our funding partners and other stakeholders to maintain progress towards our strategic outcomes. We continue to deliver an excellent programme of exhibitions, cinema, education and digital media activities and are very grateful to our highly committed and dedicated staff, advocates, partners, and Board members for their work and support.

Achievements and performance (continued)

d. Fundraising activities and income generation

QUAD raises funds through donations, sponsorship, room hire and events. This also incorporates:

- Trust and foundations applications
- Business engagement
- Individual giving

This work is undertaken and overseen by the Senior Management Team at QUAD and direct delivery of activities is managed by QUAD staff. Currently, individual giving activity is focused through online donations via our ticketing website (additional donations can be made as one-off payments as well) and in person in the building.

We monitor progress of funding applications and campaigns through regular meetings that review the status and success/failure of current funding applications.

QUAD has an overarching data protection policy which ensures all activity is compliant with current legislation including GDPR regulations. All fundraising activity is compliant with this policy.

During the year, TECH:SQUAD, QUAD's team of artists and technicians, worked with several organisations including, TECHSQUAD completed work on projects internal and external to QUAD's main programme including QUAD Gallery Exhibitions, Outdoor Cinema Screenings, Augmented Reality work for Derby Theatre, BFI, and Lichfield Cathedral, exhibition installs for LEVEL & the Herbert Art Gallery, artist support for Derby CAN projects. Theatrical collaborations using projection mapping and holographic projections at Sheffield Crucible, Christmas Lighting and projections for Calke Abbey & Derby City Council on contracts that generated over £100,000 income for the organisation. The type of work included outdoor cinema, exhibition installations, augmented reality, hires, and protection mapping. TECH:SQUAD also received funding to purchase projectors and lighting equipment.

The Café Bar was able to grow income following the impact of Covid, although recovery was slow. The hire of rooms, cinemas and other spaces in the building provided a source of regular income.

Donations and event income was limited.

e. Investment policy and performance

The Trustee' investment powers are governed by the Memorandum and Articles of Association, which permits the charity's funds to be invested in or on such investments, securities, or property, as may be thought fit.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Financial review

a. Going concern

In preparing the financial statements the Trustees are required to assess the Company's and Group's ability to adopt the going concern basis of accounting.

Like many organisations, we have faced unprecedented challenge due to the ongoing impacts of the Covid-19 pandemic. Following two periods of enforced closure to the public in 2020 and 2021, and recovery from that during 2022, it is apparent to all in the sector that society's ways of working have now changed, and we have had to do the same.

We are still experiencing the impacts of the pandemic and, more recently, the cost-of-living crisis so keenly felt by QUAD, our people and our customers. But we have been working diligently through these challenging times thanks to our incredible team of people who are all so passionate about QUADs vision, and to our primary partners.

Following confirmation of Arts Council England funding of £1.4m over the period to March 2026, in 2023 we also secured an interest-free loan from Derby City Council on suitable terms. On top of this, the team has worked through a restructuring of the organisation and driven cost efficiencies whilst maintaining our commitment to the programme.

The Trustees have prepared trading cash flow forecasts for the period to December 2024, being 12months from the date the financial statements have been approved. These forecasts balance risk and opportunities, take account of the current economic conditions and factor in inflationary cost increases and assume funding levels consistent with those achieved historically, with sensitivity applied to the trading income in light of the cost-of-living pressures.

The forecasts show that the Group has sufficient funds to discharge its liabilities when they fall due throughout the forecast period. However, as is common in the charitable sector, the reserves and cash headroom are not of a level that could withstand significant downside sensitivity such as:

- Long term inflation pressure leading to a deep economic recession with substantially reduced levels of disposable income for the medium term impacting the trading activities and cost base of the Group more significantly than forecast.
- Changes in the funding arrangements from stakeholders because of pressure on public finances.

The Trustees consider it unlikely but downside sensitivities to the base case forecasts, such as the ones set out above, could require additional funding to be provided by the stakeholders of the Group over and above that currently agreed or assumed, based on historic levels, without this further fundamental changes to the business model will be required. Should such a scenario arise, the Trustees anticipate that such funding would be available given the relationship with stakeholders and support provided to date. However, they recognise that this is not guaranteed, and therefore have concluded that there are matters that indicate the existence of material uncertainties which may cast significant doubt about the Company's and or Group's ability to continue as a going concern.

Notwithstanding this material uncertainty, having assessed the likely downside scenarios and the options available to the Group, the Trustees have formed the judgement that it is appropriate to prepare the financial statements on a going concern basis.

b. Reserves policy

The reserves policy of the charity is to maintain three months net operating costs in unrestricted reserves. Based on the reported results three months operating costs based on staffing, premises and other overhead costs amount to approximately £369,880. The current unrestricted undesignated reserves balance is £93,065 (2022: £353,340). Please refer to the above paragraph for further detail on the going concern status of the Charity.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

c. Principal risks and uncertainties

A risk assessment continues to be carried out and monitored during the year by the Board of Trustees who receive a risk matrix at every meeting, and it is anticipated that this process will continue in the future. Key risks are discussed at Board meetings.

The charity will continue to develop systems to monitor and control risks to mitigate any impact they may have on the charity. The Trustees will examine the major risks that the charity faces each financial year when preparing the strategic plan.

d. Principal funding

The directors are satisfied that the charitable company's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds. All funding sourced is managed according to the requirements of the grant application and regulations of the funding body.

Structure, governance and management

a. Constitution

Derby Quad Limited is based at Quad Market Place, Cathedral Quarter, Derby, DE1 3AS. This is also the company's registered office. Derby Quad Limited is a company limited by guarantee (Company Registration No 05465412) and Registered Charity (No 1115546). The Charity was originally incorporated on 27 May 2005 as Derby Visual Arts and Media Centre Limited and changed its name to Derby Quad Limited on 22 November 2005. The Charity's governing document is the Memorandum and Articles of Association as amended by special resolutions dated 27 February 2006 and 13 April 2006. The company registered as a charity on 24 July 2006.

The principal activity of the group was that of running a charity with the aim to promote the education, development, and appreciation of the Arts.

b. Methods of appointment or election of Trustees

The management of the Group and the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association.

c. Organisational structure and decision-making policies

The business of the Group is managed by a Board of Trustees consisting of a minimum of six members including not more than one member nominated by Derby City Council. Board Members are elected at the Annual General Meeting and the Board has powers to appoint Board Members at any time. Board Members so appointed hold office until the following AGM, when they become eligible for re-election as follows:

At the time of the third AGM, and at each subsequent AGM, one third of the Directors must retire and are eligible for re-election. However, a director may not serve for more than 9 years in succession nor be reappointed within 1 year thereafter. Trustees who served in the Board of Trustees during the financial period are listed on page 1.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

Whenever new Trustees are required, QUAD seeks persons who demonstrate a commitment to the aims and objectives of the charity and who have the specific skills and experience already identified. Following widespread publicising of the posts and receipt of written applications, an informal, first stage selection process is conducted. After a short list procedure, formal interviews will be held.

If the person is then invited to become a trustee and accepts the invitation, they will receive an introduction pack which will include a description of the organisation and its management structure, a description of the duties and responsibilities of Trustees, copies of all the charity's policies and relevant procedures. Trustees will also be offered access to relevant training opportunities both within and outside of the organisation.

e. Pay policy for key management personnel

The Trustees consider the Board of Directors, who are QUAD's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running, and operating the QUAD on a day-to-day basis.

All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in the accounts.

The pay of the senior staff is reviewed annually through the appraisal system and any increases, although not regularly made, will be based on significant change to job roles. In view of the nature of the charity, the Directors benchmark against pay levels in other multi artform venues of a similar size with similar income levels.

f. Financial risk management

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods

During these challenging economic times the impact of art and culture on the wellbeing of the population cannot be underestimated. QUAD's strategic importance to Derby's cultural offer and the role it plays in the wider cultural life of the UK is highly regarded.

Now substantially through the first year of our three-year funding from Arts Council England, we continue to grow on our profile as a leader in the exploration of digital media in the Midlands. In spite of the challenges we describe elsewhere in this Report, we have been able to maintain our key objectives for the Charity, consistent with those set out last year. These include:

1. Increase diversity amongst our audiences and enhance our cultural offer;
2. Continue to increase visitors and audience numbers;
3. Increase and focus on depth of experience through the programme;
4. Continue to grow national and international reputation;
5. Utilise our strengths relating to wellbeing activities to fit in line with City principles and maintain an engaged, motivated and skilled team; and
6. Evolve the business model to respond to the challenges of the current economic environment.

Whilst 2023 challenges forced a shorter-term perspective on our activities, the Board has been able to redefine our long-term strategy and put QUAD in the position to accelerate progress on these objectives over the next 12 months. We continue to measure and monitor agreed KPI's year on year. We stay in close contact with all of QUADs stakeholders to ensure we comply with our funding commitments; and we continue to meet more regularly to monitor risks to delivery of the objectives.

Disclosure of information to auditors

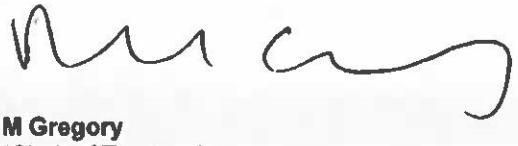
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, PKF Smith Cooper Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 22 December 2023 and signed on their behalf by:



M Gregory
(Chair of Trustees)

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2023

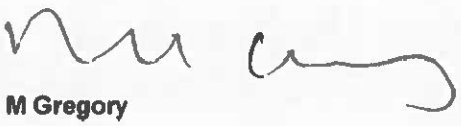
The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year.. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 22 December 2023 and signed on its behalf by:



M Gregory

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DERBY QUAD LIMITED

Opinion

We have audited the financial statements of Derby Quad Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Material uncertainty related to going concern

We draw attention to note 2.3 in the financial statements, which indicates that there remains significant uncertainty around the long term effects of inflation pressures on the global economy and the knock on affect this will have on the Group. As stated in note 2.3, these events or conditions, along with the other matters as set forth in note 2.3, indicate that a material uncertainty exists that may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DERBY QUAD LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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.
- 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 our knowledge and understanding of the charitable company 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 Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, 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; 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 Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DERBY QUAD LIMITED (CONTINUED)

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

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

Based on our understanding of the Group and industry, we identified that the principal risk of fraud or non-compliance with laws and regulations related to:

- management bias in respect of accounting estimates and judgements made;
- management override of control;
- posting of unusual journals or transactions;
- significant cash based transactions.

Our procedures included, but were not limited to:

- Enquiry of management and those charged with governance around actual and potential litigation and claims, including instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance where available;
- Reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DERBY QUAD LIMITED (CONTINUED)

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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

PKF Smith Cooper Audit Limited

James Delve (Senior Statutory Auditor)
for and on behalf of
PKF Smith Cooper Audit Limited
Statutory Auditors
Prospect House
1 Prospect Place
Millennium Way
Derby
DE24 8HG

22 December 2023

DERBY QUAD LIMITED
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	-	7,273	7,273	11,894
Charitable activities	5	251,113	1,481,731	1,732,844	1,915,001
Other trading activities	6	-	634,879	634,879	538,464
Investments	8	-	51	51	-
Other income	9	-	-	-	7,427
Total income		251,113	2,123,934	2,375,047	2,472,786
Expenditure on:					
Raising funds	6	-	611,325	611,325	516,622
Charitable activities	10	242,382	1,868,018	2,110,400	1,865,621
Total expenditure		242,382	2,479,343	2,721,725	2,382,243
Net income/(expenditure)		8,731	(355,409)	(346,678)	90,543
Transfers between funds	22	(95,134)	95,134	-	-
Net movement in funds		(86,403)	(260,275)	(346,678)	90,543
Reconciliation of funds:					
Total funds brought forward		166,138	353,340	519,478	428,935
Net movement in funds		(86,403)	(260,275)	(346,678)	90,543
Total funds carried forward		79,735	93,065	172,800	519,478

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

The notes on pages 21 to 43 form part of these financial statements.

DERBY QUAD LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05465412

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note		2023 £		2022 £
Fixed assets					
Intangible assets	16		**13,391**		9,115
Tangible assets	17		**250,956**		220,695
			264,347		229,810
Current assets					
Stocks	19	**11,125**		10,271	
Debtors: amounts falling due after more than one year	20	**133,504**		142,732	
Debtors: amounts falling due within one year	20	**111,094**		227,933	
Cash at bank and in hand		**152,107**		345,984	
		407,830		726,920	
Creditors: amounts falling due within one year	21	**(499,377)**		(437,252)	
Net current liabilities / assets			**(91,547)**		289,668
Total assets less current liabilities			**172,800**		519,478
Total net assets			**172,800**		519,478
Charity funds					
Restricted funds	22		**79,735**		166,138
Unrestricted funds	22		**93,065**		353,340
Total funds			**172,800**		519,478

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

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

The financial statements were approved and authorised for issue by the Trustees on 22 December 2023 and signed on their behalf by:

M Gregory
(Chair of Trustees)

The notes on pages 21 to 43 form part of these financial statements.

DERBY QUAD LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05465412

COMPANY BALANCE SHEET
AS AT 31 MARCH 2023

	Note		2023 £		2022 £
Fixed assets					
Intangible assets	16		**13,391**		9,115
Tangible assets	17		**244,601**		212,552
Investments	18		**1**		1
			257,993		221,668
Current assets					
Debtors: amounts falling due after more than one year	20	**133,504**		142,732	
Debtors: amounts falling due within one year	20	**143,585**		245,561	
Cash at bank and in hand		**81,621**		241,365	
		358,710		629,658	
Creditors: amounts falling due within one year	21	**(448,933)**		(339,217)	
Net current liabilities / assets			**(90,223)**		290,441
Total assets less current liabilities			**167,770**		512,109
Total net assets			**167,770**		512,109
Charity funds					
Restricted funds	22		**79,735**		166,138
Unrestricted funds	22		**88,035**		345,971
Total funds			**167,770**		512,109

The Company's net movement in funds for the year was £(344,339) (2022 - £59,128).

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

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

The financial statements were approved and authorised for issue by the Trustees on 22 December 2023 and signed on their behalf by:

M Gregory
(Chair of Trustees)

The notes on pages 21 to 43 form part of these financial statements.

DERBY QUAD LIMITED
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	**(97,663)**	(52,297)
Cash flows from investing activities		
Proceeds from the sale of tangible fixed assets	**-**	708
Purchase of tangible fixed assets	**(96,214)**	(144,974)
Net cash used in investing activities	**(96,214)**	**(144,266)**
Change in cash and cash equivalents in the year	**(193,877)**	**(196,563)**
Cash and cash equivalents at the beginning of the year	**345,984**	542,547
Cash and cash equivalents at the end of the year	**152,107**	345,984

The notes on pages 21 to 43 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Derby Quad Limited is based at Quad Market Place, Cathedral Quarter, Derby, DE1 3AS. This is also the company's registered office. Derby Quad Limited is a company limited by guarantee (Company Registration No 05465412) and Registered Charity (No 1115546).

The principal activity of the group was that of running a charity with the aim to promote the education, development, and appreciation of the Arts.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

Derby Quad Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Company status

The Company is a company limited by guarantee. The members of the Company are the Trustees named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £10 per member of the Company.

2. Accounting policies (continued)

2.3 Going concern

In preparing the financial statements the Trustees are required to assess the Company's and Group's ability to adopt the going concern basis of accounting.

Like many organisations, we have faced unprecedented challenge due to the ongoing impacts of the Covid-19 pandemic. Following two periods of enforced closure to the public in 2020 and 2021, and recovery from that during 2022, it is apparent to all in the sector that society's ways of working have now changed, and we have had to do the same.

We are still experiencing the impacts of the pandemic and, more recently, the cost-of-living crisis so keenly felt by QUAD, our people and are customers. But we have been working diligently through these challenging times thanks to our incredible team of people who are all so passionate about QUADs vision, and to our primary partners.

Following confirmation of Arts Council England funding of £1.4m over the period to March 2026, in 2023 we also secured an interest-free loan from Derby City Council on suitable terms. On top of this, the team has worked through a restructuring of the organisation and driven cost efficiencies whilst maintaining our commitment to the programme.

The Trustees have prepared trading cash flow forecasts for the period to December 2024, being 12 months from the date the financial statements have been approved. These forecasts balance risk and opportunities, take account of the current economic conditions and factor in inflationary cost increases and assume funding levels consistent with those achieved historically, with sensitivity applied to the trading income in light of the cost-of-living pressures.

The forecasts show that the Group has sufficient funds to discharge its liabilities when they fall due throughout the forecast period. However, as is common in the charitable sector, the reserves and cash headroom are not of a level that could withstand significant downside sensitivity such as:

- Long term inflation pressure leading to a deep economic recession with substantially reduced levels of disposable income for the medium term impacting the trading activities and cost base of the Group more significantly than forecast.

- Changes in the funding arrangements from stakeholders because of pressure on public finances.

The Trustees consider it unlikely but downside sensitivities to the base case forecasts, such as the ones set out above, could require additional funding to be provided by the stakeholders of the Group over and above that is currently agreed or assumed, based on historic levels, or further fundamental changes to the business model will be required. Should such a scenario arise, the Trustees anticipate that such funding would be available given the relationship with stakeholders and support provided to date. However, they recognise that this is not guaranteed, and therefore have concluded that there are matters that indicate the existence of material uncertainties which may cast significant doubt about the Company's and or Group's ability to continue as a going concern.

Notwithstanding this material uncertainty, having assessed the likely downside scenarios and the options available to the Group, the Trustees have formed the judgement that it is appropriate to prepare the financial statements on a going concern basis.

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Website	-	5 % years

2.8 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Over the life of the lease
Fixtures and fittings	- 10% - 20% Straight Line
Office equipment	- 20% Straight Line

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.11 Debtors

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

2.12 Cash at bank and in hand

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

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2. Accounting policies (continued)

2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.15 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

2.16 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.17 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions used by the Group are not deemed to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £
Donations	7,273	7,273

4. Income from donations and legacies (continued)

	Unrestricted funds 2022 £	Total funds 2022 £
Donations	11,894	11,894

5. Income from charitable activities

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Derby City Council	-	100,000	**100,000**
Derby City Council (rent in kind)	-	260,000	**260,000**
Project grants	229,996	106,169	**336,165**
Arts Council England	-	466,176	**466,176**
Coronavirus job retention scheme	-	-	-
COVID response funding	-	-	-
Other charitable activities (Note 6)	21,117	549,386	**570,503**
	251,113	1,481,731	**1,732,844**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Derby City Council	-	100,000	100,000
Derby City Council (rent in kind)	-	260,000	260,000
Project grants	293,971	65,751	359,722
Arts Council England	-	466,176	466,176
Coronavirus job retention scheme	-	68,242	68,242
COVID response funding	-	208,000	208,000
Other charitable activities (Note 6)	80,758	372,103	452,861
	374,729	1,540,272	1,915,001

6. Income from other charitable activities

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Cinema takings	-	298,597	**298,597**
Other fees and commissions	21,117	192,399	**213,516**
Advertising income	-	19,869	**19,869**
Membership	-	38,520	**38,520**
Capital grants	-	-	-
	21,117	549,385	**570,502**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Cinema takings	-	219,788	219,788
Other fees and commissions	80,758	118,471	199,229
Advertising income	-	5,570	5,570
Membership	-	26,173	26,173
Workshop/training	-	2,101	2,101
	80,758	372,103	452,861

7. Trading activities

The wholly owned subsidiary, Derby Quad Enterprises Limited (company number 06643908), is incorporated in the UK and distributes all of its profits to the Charity under the gift aid scheme. The Company operates the cafe, bar and hire activities at the Quad. The Charity owns 100% of the ordinary share capital of the Company. A summary of trading results pre distribution to the Charity is shown below. The amount of gift aid from the subsidiary was £25,944 (2022: £13,968).

	Unrestricted funds 2023 £	Total funds 2023 £
Charity trading income	-	-
Cafe bar income	**442,808**	442,808
Advertising	-	-
Room hire	**44,639**	44,639
Tech Squad and Game Time	**79,991**	79,991
Sponsorship	**12,394**	12,934
Workshop/training	**44,678**	44,678
Shop income	**10,369**	10,369
	634,879	634,879
Charity trading expenses	-	-
Marketing costs	**(145)**	(145)
Premises costs	**(913)**	(913)
Other trading costs	**(269,166)**	(269,166)
Professional fees and board expenses	**(621)**	(621)
Wages, national insurance and pension	**(337,506)**	(337,506)
Depreciation	**(2,638)**	(2,638)
Interest payable	**(336)**	(336)
	(611,325)	(611,325)
	23,554	23,554

The trading subsidiary also received government grants totalling £Nil (2022: £23,541) which is included in Note 5.

	Unrestricted funds 2022 £	Total funds 2022 £
Charity trading income	-	-
Cafe bar income	**309,646**	309,646
Advertising	**1,100**	1,100
Room hire	**88,319**	88,319
Tech Squad and Games Time	**56,783**	56,783
Sponsorship	**10,680**	10,680
Workshop/training	**55,889**	55,889
Shop income	**16,047**	16,047
	538,464	538,464
Charity trading expenses	-	-
Marketing costs	**(110)**	(110)
Premises costs	**(6,709)**	(6,709)
Other trading costs	**(247,118)**	(247,118)
Professional fees and board expenses	**(48)**	(48)
Wages, national insurance and pension	**(260,590)**	(260,590)
Depreciation	**(2,047)**	(2,047)
Interest payable	-	-
	(516,622)	(516,622)
	21,842	21,842

	2023 £	2022 £
The assets and liabilities of the subsidiary are:		
Assets	**96,021**	185,951
Liabilities	**(90,994)**	(178,585)
Total net assets	**5,027**	7,366

8. Investment Income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Interest receivable	51	**51**	-

9. Other incoming resources

	Total funds 2023 £
Other income	-

	Unrestricted funds 2022 £	Total funds 2022 £
Other income	7,427	7,427

10. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £
Charitable activities	242,382	1,868,018	**2,110,400**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £
Charitable activities	246,754	1,618,867	1,865,621

11. Charitable activities expenditure

	2023 £	2022 £
Other direct costs	**6,712**	53,241
Arts programme & activity	**453,873**	451,772
Support costs (Note 12)	**1,420,340**	1,167,265
Governance costs (Note 12)	**59,181**	48,636
Wages and salaries	**134,169**	115,232
National insurance	**30,800**	25,130
Pension costs	**5,325**	4,345
	2,110,400	1,865,621

12. Analysis of governance and support costs

	General support 2023 £	Governance function 2023 £	Total funds 2023 £
Office costs	88,309	3,680	**91,989**
Premises costs and insurance	526,189	21,925	**548,114**
Professional fees and board expenses	21,702	903	**22,605**
Wages and salaries	673,831	28,076	**701,907**
National insurance	20,295	846	**21,141**
Pension	21,357	890	**22,247**
Depreciation and amortisation	68,657	2,861	**71,518**
	1,420,340	59,181	**1,479,521**

	General support 2022 £	Governance function 2022 £	Total funds 2022 £
Office costs	27,075	1,128	28,203
Premises costs and insurance	513,151	21,381	534,532
Professional fees and board expenses	15,036	627	15,663
Wages and salaries	549,778	22,907	572,685
National insurance	16,559	690	17,249
Pension	17,425	726	18,151
Depreciation and amortisation	28,241	1,177	29,418
	1,167,265	48,636	1,215,901

13. Auditors' remuneration

	2023 £	2022 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**7,875**	7,500

14. Staff costs

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Wages and salaries	**1,153,816**	932,660	**843,140**	687,917
Social security costs	**72,234**	53,304	**51,941**	42,379
Contribution to defined contribution pension schemes	**34,109**	27,418	**27,572**	22,496
	1,260,159	1,013,382	**922,653**	752,792

In the prior year, in addition to the amounts disclosed above the Company and Group also incurred £74,806 of wages costs that are included in Arts programme and activity costs. In the current year, all wage costs are disclosed above.

The average number of persons employed by the Company during the year was as follows:

	Group 2023 No.	Group 2022 No.	Company 2023 No.	Company 2022 No.
Charitable activities	**69**	64	**44**	45
Management and administration	**8**	9	**8**	9
	77	73	**52**	54

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of Derby Quad Limited comprise of the CEO, Artistic Director, Marketing Manager, Accounts Manager, Technical Services Manager, Format Director, Programme Manager, HR Manager and two Visitor Services Managers. The total amount of employee benefits received by key management personnel is £183,115 (2022: £229,197).

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

16. Intangible assets

Group and Company

	Website £
Cost	
At 1 April 2022	**25,360**
Additions	**9,840**
At 31 March 2023	**35,200**
Amortisation	
At 1 April 2022	**16,245**
Charge for the year	**5,564**
At 31 March 2023	**21,809**
Net book value	
At 31 March 2023	**13,391**
At 31 March 2022	9,115

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

17. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2022	**266,434**	**400,738**	**210,033**	**492,179**	**1,369,384**
Additions	**-**	**17,396**	**69,555**	**9,263**	**96,214**
At 31 March 2023	**266,434**	**418,134**	**279,588**	**501,442**	**1,465,598**
Depreciation					
At 1 April 2022	**201,193**	**374,104**	**194,787**	**378,605**	**1,148,689**
Charge for the year	**3,101**	**13,176**	**5,971**	**43,705**	**65,953**
At 31 March 2023	**204,294**	**387,280**	**200,758**	**422,310**	**1,214,642**
Net book value					
At 31 March 2023	**62,140**	**30,854**	**78,830**	**79,132**	**250,956**
At 31 March 2022	65,241	26,634	15,246	113,574	220,695

17. Tangible fixed assets (continued)

Company

	Long term leasehold property £	Cinema and other equipment £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2022	266,434	377,861	193,210	492,179	1,329,684
Additions	-	16,546	69,555	9,263	95,364
At 31 March 2023	266,434	394,407	262,765	501,442	1,425,048
Depreciation					
At 1 April 2022	201,193	358,258	179,076	378,605	1,117,132
Charge for the year	3,101	10,771	5,738	43,705	63,316
At 31 March 2023	204,294	369,029	184,814	422,310	1,180,447
Net book value					
At 31 March 2023	62,140	25,378	77,951	79,132	244,601
At 31 March 2022	65,241	19,603	14,134	113,574	212,552

18. Fixed asset investments

Company	Investments in subsidiary companies £
Cost	
At 1 April 2022	1
At 31 March 2023	1
Net book value	
At 31 March 2023	1
At 31 March 2022	1

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
Derby Quad Enterprises Limited	06643908	Quad Market Place, Cathedral Quarter, Derby, DE1 3AS	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Derby Quad Enterprises Limited	**655,996**	**(612,127)**	**43,869**	**5,027**

19. Stocks

	Group 2023 £	Group 2022 £
Shop and cafe stock	**11,125**	10,271

20. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Due after more than one year				
Other debtors	**133,504**	142,732	**133,504**	142,732

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Due within one year				
Trade debtors	**5,149**	74,677	**1,245**	22,341
Amounts owed by group undertakings	**-**	-	**41,402**	80,550
Other debtors	**9,155**	23,299	**9,151**	23,295
Prepayments and accrued income	**32,283**	40,876	**27,280**	30,294
Grants receivable	**64,507**	89,081	**64,507**	89,081
	111,094	227,933	**143,585**	245,561

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

21. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade creditors	**190,445**	115,461	**164,273**	95,506
Other taxation and social security	**33,219**	33,495	**13,557**	13,283
Other creditors	**9,358**	10,887	**6,356**	6,712
Accruals and deferred income	**266,355**	277,409	**264,747**	223,716
	499,377	437,252	**448,933**	339,217

22. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
Reserves	353,340	2,123,934	(2,479,343)	95,134	93,065
Restricted funds					
Other projects and grants	84,844	150,228	(111,276)	(123,796)	-
FORMAT Festival	-	79,768	(108,430)	28,662	-
Capital grants	81,294	21,117	(22,676)	-	79,735
	166,138	251,113	(242,382)	(95,134)	79,735
Total of funds	519,478	2,375,047	(2,721,725)	-	172,800

22. **Statement of funds (continued)**

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Reserves	411,847	2,098,057	(2,135,489)	(21,075)	353,340
Restricted funds					
Other projects and grants	-	251,945	(177,869)	10,768	84,844
FORMAT Festival	-	52,784	(63,091)	10,307	-
Capital grants	17,088	70,000	(5,794)	-	81,294
	17,088	374,729	(246,754)	21,075	166,138
Total of funds	428,935	2,472,786	(2,382,243)	-	519,478

The specific purpose for which the funds are to be applied are as follows:

Unrestricted funds represent those resources which may be used towards meeting any of the charitable objectives at the discretion of the Trustees.

Restricted funds comprise of grants for specific projects or capital purchases and will only be used for the purpose that the grants were intended.

The transfer out of other projects and grants is for the allowable project expenditure that is included in unrestricted expenditure such as wages and other overheads.

The transfer in to the FORMAT fund is the Charity's contribution to the festival from unrestricted reserves.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	79,735	171,221	**250,956**
Intangible fixed assets	-	13,391	**13,391**
Debtors due after more than one year	-	133,504	**133,504**
Current assets	-	274,326	**274,326**
Creditors due within one year	-	(499,377)	**(499,377)**
Total	79,735	93,065	**172,800**

Analysis of net assets between funds - prior year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	81,294	139,401	220,695
Intangible fixed assets	-	9,115	9,115
Debtors due after more than one year	-	142,732	142,732
Current assets	84,844	499,344	584,188
Creditors due within one year	-	(437,252)	(437,252)
Total	166,138	353,340	519,478

24. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	Group 2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**(346,678)**	90,543
Adjustments for:		
Depreciation charges	**65,953**	32,915
Amortisation charges	**5,564**	5,072
Loss/(profit) on the sale of fixed assets	**-**	(708)
Increase in stocks	**(854)**	(2,717)
Decrease in debtors	**70,018**	7,214
Increase/(decrease) in creditors	**108,334**	(184,616)
Net cash used in operating activities	**(97,663)**	(52,297)

25. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	**152,107**	345,984

26. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	**345,984**	**(193,877)**	**152,107**

27. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £34,109 (2022: £27,418). Contributions totalling £6,356 (2022: £9,254) were payable to the fund at the balance sheet date and are included in creditors.

28. Operating lease commitments

At 31 March 2023 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Not later than 1 year	3,168	8,031	3,168	8,031
Later than 1 year and not later than 5 years	-	3,168	-	3,168
	3,168	11,199	3,168	11,199

29. Related party transactions

Information about related party transactions and outstanding balances is outlined below:

	Income £	Expenditure £	Debtors £	Creditors £
University of Derby Theatre Limited (a company with a director in common)				
- At 31 March 2023	1,000	-	-	-
- At 31 March 2022	9,339	-	9,339	-
Derby Museums (a company with a director in common)				
- At 31 March 2023	200	1,380	-	1,380
- At 31 March 2022	4,000	-	-	-
B M Walsh (director)				
- At 31 March 2023: None				
- At 31 March 2022	400	-	-	-
Loates Business Solutions Limited (a company with a director in common)				
- At 31 March 2023 (2022: None)	-	4,422	-	1,692
Derby Book Festival (a charity with a trustee in common)				
- At 31 March 2023 (2022: None)	-	7,715	-	4,252
	14,939	13,517	9,339	7,324

30. Company limited by guarantee

Derby Quad Limited is a company limited by guarantee and accordingly does not have share capital.

Every member of the Company undertakes to contribute such an amount as may be required not exceeding £10 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

DERBY QUAD LIMITED

England & Wales - Charity number 1115546

Accounts

Registered number: 05465412
Charity number: 1115546

DERBY QUAD LIMITED

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

DERBY QUAD LIMITED
(A Company Limited by Guarantee)

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DERBY QUAD LIMITED

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees	M Gregory, Trustee (appointed 4 January 2022) R Jones, Trustee (appointed 4 January 2022) C Sexton, Trustee H N St Cyr, Trustee P Gomes, Trustee (appointed 17 March 2022) R Goldsmith, Trustee L Earle, Trustee A Buss, Trustee (resigned 31 October 2022) A Venkatesh, Trustee G Singleton, Trustee K McLay, Trustee K Donald, Trustee (resigned 20 March 2022) B Walsh, Trustee (resigned 31 March 2022) J West, Trustee (resigned 7 September 2022) M Williams, Trustee (resigned 7 December 2022) T Pooser, Trustee (appointed 7 September 2021) B Udeh, Trustee (resigned 10 May 2022) S Loates, Trustee (resigned 22 July 2022) J Luke, Trustee (appointed 1 November 2022)
Company registered number	05465412
Charity registered number	1115546
Registered office	Quad Market Place Cathedral Quarter Derby DE1 3AS
Chief executive officer	V Malhotra
Independent auditors	PKF Smith Cooper Audit Limited Statutory Auditors Prospect House 1 Prospect Place Millennium Way Derby DE24 8HG
Bankers	Barclays Bank UK PLC Leicester LE87 2BB

DERBY QUAD LIMITED

(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 April 2021 to 31 March 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Group and the Company qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The Trustees believe that the Charity's aims, together with the activities outlined in this report, are demonstrably to the public benefit.

The principal activity of the charity is the promotion of, education in, development of, and appreciation of the arts. This is in accordance with the objects contained in the Memorandum and Articles of Association, the Charity's governing document.

There has been no material change in the objects of the charity which are:
- Photography, television, video and file and other visual and audio visual Media and Arts,
- Drama, MIME, dramatic improvisation, literature, original writing and presentation of poetry and prose, dance, song and music generally, painting, sculpture, crafts and
- For the particular but not exclusive benefit of the inhabitants of the City of Derby and County of Derbyshire.

b. Strategies for achieving objectives

QUAD reviews its strategic approach to its objectives annually and believes in an inclusive approach to developing these solutions which improve all staff, directors, and key stakeholders.

- Ensure a focus on making art, film, and digital media accessible to all
- Pricing policies that enable younger audiences, financially excluded, and minority ethnic audiences, access to our programme
- Ongoing review of all costs to ensure best value for all expenditure
- Continuing use of Board subcommittees
- Maximising insights from external partners
- Enhancing QUAD’s environmental credentials through a focus on utility usage with a long-term aim of Carbon Neutrality
- Continuing to develop the relationship with Derby City Council to help develop city wide priorities including wellbeing and the reinvigoration of the city centre
- Closer working with the education sector of the City of Derby to help enhance academic achievement and social inclusion
- Ensure alignment of objectives with those of key stakeholders
- Ensure diversity and inclusivity are at the forefront in making decisions about outputs and targets

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

Investment in staff: a salary benchmarking exercise was undertaken that resulted in a pay increase award for every member of staff, which is significant as some had not seen any increases for 7 years.

A wellbeing survey was developed, which staff completed, and this was followed by several wellbeing focus groups meeting to review outputs from the survey and come up with a QUAD staff engagement action plan.

A staff wellbeing area was created in the main office to provide staff with a pleasant open space where they could sit comfortably and take time away from their workstations to enhance their wellbeing.

The implementation of a revised staffing structure defined team roles and responsibilities and provided more accountability and clarity.

Following the Covid pandemic, hybrid working was developed and introduced to encourage staff to return to work and to provide an added level of flexibility that enhanced work-life balance.

d. Volunteers

The use of volunteers enhances the charity's ability to deliver high quality services to participants and audiences by expanding its work in a cost-effective manner and by bringing new skills, enthusiasm, and a fresh perspective to the organisation. Volunteers are accepted from:

- Persons with an interest in becoming involved in some aspect of the Charity's work
- Persons who are looking for work as part of community service activity, student internships, personal development, and professional development.

New volunteers must be able to demonstrate a commitment to the aims and objectives of the charity and will be always expected to discharge their duties in accordance with the charity's procedures and policies.

Achievements and performance

a. Review of activities

QUAD like all organisations continued to suffer significant challenges brought on by the Covid-19 pandemic. The venue reopened in May 2021 and experienced further challenges through the Omicron infection during the year. As an organisation that generates a significant proportion of its income from earned sources, QUAD is exponentially affected compared to other charities by a drop off in visitor numbers, that have not yet returned to pre pandemic levels.

The levels of public investment have remained steady, and these are crucial to QUAD’s long-term success. QUAD recognises the challenges all public bodies face and will continue to work in partnership to find the best value and high impact solutions possible with stakeholders and partners in meeting these challenges and providing public benefit through programmes and activities.

QUAD continues to deliver an excellent programme of exhibitions, cinema, education, and digital media activities and is grateful to its highly committed and dedicated staff, advocates, partners, and Board members for their work and support.

Achievements and performance (continued)

b. Key performance indicators

QUAD reopened on 17 May 2021. The related figures for programme activities reflect the closure of the QUAD main building from 1 April – 19 May 2021 (when the main Gallery programme restarted), and the gradual return of customers to in person attendance.

- 541,921 people reached through the programme (2021: 10,986 – note – this was during lengthy government enforced lockdown restrictions).
- 10 Artists were commissioned, of which 8 were from the UK and 2 were International, 8 from BIPOC communities, and 3 from LGBT+ communities.
- 26 Artists undertook residencies with QUAD/ FORMAT, of which 18 were from the UK and 8 were International, 14 from BIPOC communities and 5 from LGBT+ communities.
- QUAD screened 318 films and held 31 film events (2021: 78).
- 4,790 people (2021: 1,192) took an active part in learning & participatory arts activities organised by QUAD.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

c. Programme highlights

QUAD continued to present a minimum of three exhibitions per year in the main gallery, plus three exhibitions in the extra gallery spaces and several external and touring shows each year. As can be seen from the list of highlights below, it more than fulfilled KPI outcomes in delivering at least two main gallery exhibitions per year that were stated to include artists from black and ethnically diverse, LGBT+ and disabled backgrounds. An effective gender/diverse identity balance was maintained across all exhibitions.

The QUAD Programme Team continued to deliver ground-breaking digital and creative new media exhibitions and commissions, as well as FORMAT Off Year and digital outputs:

- 1582 attendees for live talks/ tours (48 talks or tours, of which 19 were delivered online).
- 400,000 (estimated) for public artwork mosaic wrap on the exterior of QUAD.
- 120,990 attendees at QUAD and off-site exhibitions (of which 111,900 are estimated). Off-site exhibitions include presentations at Derby Eagle Market, i.e. unmonitored spaces.
- FORMAT21 virtual Festival online continued on the New Art City platform (Until April 2023), that saw across the financial year 19,349 online visits.
- Two online international portfolio reviews for FORMAT22 took place on 24 and 25 March 2022; 174 people took part in 415 one-to-one meetings from across the world; 120 photographers; 54 reviewers (34 women, 11 people of colour).
- FORMAT21 Presents (18 May to various dates, including at QUAD 5 September 2021) exhibitions included in QUAD Gallery 1 – 'Brian Griffin (UK): Black Country Dada', a mini retrospective. QUAD Gallery 2: 'Famous Internet Sites' by artist Zou Jingyao, curated by Lou Dawei (both China).
- QUAD Extra Gallery Spaces: 'Here, There and Everywhere', work by Anthony Bila (South Africa), Uzoma Chidumaga Orji (Nigeria), Sipho Gongxeka (South Africa); 3 BIPOC/ 2 LGBT+ artists.
- Further 12 physical exhibitions continued throughout Derby City Centre for FORMAT21 Presents, with varying dates at Derby Museum and Art Gallery (ended 27 June 2021; Deda (ended 18 July 2021); Smallprint (ended 13 June); Derbion shopping mall, and the Eagle Market (both ended 13 June 2021). Attendance at these venues was an estimated 90,800.
- QUAD commissioned the digital artist Danielle Brathwaite-Shirley (UK) in partnership with the Mechatronic Library to create 8 new interactive digital artworks as part of her exhibition 'Haunting Alongside Our Shadows' (25 September 2021 – 9 January 2022). Danielle is a Black Trans artist.
- Future Focus Open Call/ Exhibitions (29 January – 27 February 2022). Showcase for graduates from UK BA Degree programmes unable to exhibit work. Over 150 artists applied; jury of artists/ curators/ writers: Abbas Zahedi; Gabrielle de la Puente and Zarina Muhammad (The White Pube); Lucy Sollitt; Maitreyi Maheshwari; Jamila Prowse and Saziso Phiri (4 BIPOC; 1 disabled jury members). 7 Artists selected for main QUAD Gallery exhibition (4 BIPOC artists); 18 artists selected for QUAD Resource Are Big Screen.
- De'Anne Crooks (UK): Seeking (29 Jan – 27 Feb 2022) Extra Gallery Spaces (BIPOC/ LGBT+ Artist).
- 'The Cultural Evolution: Identity, Performance and Fashion' (opened 19 March 2022), exhibition curated by Azu Nwagbogu (Nigeria) – Director of Lagos Photo Festival. Featuring works by Adji Dieye (Italy/Senegal), Bonolo Kavula (South Africa), Silvia Rosi (Togo/Italy), Stephen Tayo (Nigeria), Lunga Ntila (South Africa).
- Disruption presents: AMP Voices (opened 19 March 2022) – artists Emily Labhart, Jamaal O'Driscoll, Sipho Eric Ndlovu & Anthony Shintai (all UK; 3 from BIPOC communities). Exhibition from a 2-month residency of research with local people in Derby/Midlands, tackling themes of toxic masculinity across genders, accountability, success, and identity.
- QUAD continued to engage with high-profile and emerging artists as QUAD International Digital Fellows: Danielle Brathwaite-Shirley was Fellow 2020/21; Bruce Asbestos and Seema Mattu both International Fellows 2021/22. Bruce Asbestos will produce an exhibition of new work as part of QUAD's Season of Play in the summer of 2022; Seema Mattu will produce an exhibition of new work in the summer of 2023.
- South Korean artist Soa J Hwang was QUAD Digital Participation Artist in Residence in February 2022, working on a week-long series of interactive workshops with QUAD groups (KidsQUAD) and members of the public.
- New partnership established with The Drill – a Nigeria/UK focussed programme directed by Innocent Ekejiuba and Saziso Phiri. 6 live talk events to an audience of approx. 50 people.
- East Meets West: over a sixth-month period in 2021, 22 UK-based emerging photographers have taken part, organised by GRAIN Projects & FORMAT/QUAD.

Achievements and performance (continued)

- QUAD partnered on 18 February 2022 with Performance art group 'Performance N'Tha' to showcase new works in QUAD by 6 neurodivergent artists, led by neurodivergent/Autistic artist (and University of Derby graduate) Pierce Starre.
- QClub Hands and Voice creative sessions for D/deaf and CODA children/young people took place beginning in early 2022 and funded from a Garfield Weston grant uplift. 8 sessions up to March 20022 saw a core group of 41 people aged between 5 and 18 years of age.
- Through late 2021 and early January 2022 QUAD Education and Cinema Team reconnected with schools through the cinema visits, 1471 young people attended film screenings, from deprived area schools, reception yrs 5/6 many had not been to a cinema before.
- QUAD Schools in Residence Programme continuation funding - a Paul Hamlyn partnership application has been finalised, led by QUAD education team in partnership with Pear tree yr, Derby More and Horizons. Focussing on CPD, creative workshop projects, supply staff, awards, transport and coordinators, education and participation and a further focus on civic responsibility and change.

d. Fundraising activities and income generation

QUAD raises funds through donations, sponsorship, room hire and events. This also incorporates:

- Trust and foundations applications
- Business engagement
- Individual giving

This work is undertaken and overseen by the Senior Management Team at QUAD and direct delivery of activities is managed by QUAD staff. Currently, individual giving activity is focused through online donations via our ticketing website (additional donations can be made as one-off payments as well) and in person in the building.

We monitor progress of funding applications and campaigns through regular meetings that review the status and success/failure of current funding applications.

QUAD has an overarching data protection policy which ensures all activity is compliant with current legislation including GDPR regulations. All fundraising activity is compliant with this policy.

Funds previously raised from Garfield Weston Foundation and Children in Need continued to be applied to the identified project works until their completion.

A further tranche of cultural recovery funds was received during the year.

During the year, TECH:SQUAD, QUAD's team of artists and technicians, worked with several organisations including Coventry Transport Museum, Herbert Gallery, Lichfield Cathedral, and The National Trust, on contracts that generated over £100,000 income for the organisation. The type of work included outdoor cinema, exhibition installations, augmented reality, hires, and protection mapping. TECH:SQUAD also received funding to purchase projectors and lighting equipment.

The Café Bar reopened on 17th May 2021 under restrictions to capacity and operating table service only until restrictions were relaxed. This limited the number of covers and impacted income that continued an upward trajectory.
The hire of rooms, cinemas and other spaces in the building provided a source of regular income.

Donations and event income was limited.

e. Investment policy and performance

The Trustee' investment powers are governed by the Memorandum and Articles of Association, which permits the charity's funds to be invested in or on such investments, securities, or property, as may be thought fit.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Financial review

a. Going concern

In preparing the financial statements the Trustees are required to assess the Company's and Group's ability to adopt the going concern basis of accounting. The year has been one of recovery following the various Covid-19 lock downs that impacted the previous periods and the start of the financial year.

The Trustees are satisfied with the way the Group responded to Covid-19 and are thankful to the dedicated staff team for the work done and the public funding provided during this time allowing the Group to be well prepared to return to a more normal environment during the financial year 21/22. Due to the careful management, and the support received from its stakeholders, the Group has maintained its target of an unrestricted reserves balance more than 3 months cost in line with the reserves policy throughout the year. The Charity has also recently received confirmation that it has been successful in securing funding from Arts Council England of £1.4m over the 3-year period to March 2026 which is testament to the hard work of the dedicated team and the quality of the work QUAD delivers across all its activities and programmes.

As at March 2022 and in the period subsequently the attendance and trading activities are not yet back to the levels achieved pre Covid which was the target but there have been steady improvements since the Group could fully re-open.

The economic environment has become challenging with significant levels of inflation putting pressure on the cost of living. The Trustees recognise that the economic environment will impact on the disposable income of the Group's customers and members and is likely to result in a reduction in future attendance and returns from trading activity. The inflationary pressure on the cost base of the organisation also requires careful management, particularly energy costs, when the organisation comes out of the current energy cap agreements over the next 12 months, and they are expected to increase significantly.

The Trustees have prepared trading forecasts for the period to March 2024, being 15 months from the date the financial statements have been approved and detailed cash flow forecasts for the 12 months to December 2023. These forecasts take account of the current economic conditions and factor in inflationary cost increases and assume funding levels consistent with those achieved historically, with sensitivity applied to the trading income in light of the cost-of-living pressures. The forecasts show that the Group has sufficient funds to discharge its liabilities when they fall due throughout the forecast period.

However, as is common in the charitable sector, the reserves and cash headroom are not of a level that could withstand significant downside sensitivity such as:

- Long term inflation pressure leading to a deep economic recession with substantially reduced levels of disposable income for the medium term impacting the trading activities and cost base of the Group more significantly than forecast.
- changes in the funding arrangements from stakeholders because of pressure on public finances.

Downside sensitivities to the base case forecasts, such as the ones set out above, could require additional funding to be provided by the stakeholders of the Group over and above that is currently agreed or assumed, based on historic levels, or further fundamental changes to the business model will be required. Should such a scenario arise, the Trustees anticipate that such funding would be available given the relationship with stakeholders and support provided to date. However, they recognise that this is not guaranteed, and therefore have concluded that there are matters that indicate the existence of material uncertainties which may cast significant doubt about the Company's and or Group's ability to continue as a going concern.

Notwithstanding this material uncertainty, having assessed the likely downside scenarios and the options available to the Group, the Trustees have formed the judgement that it is appropriate to prepare the financial statements on a going concern basis.

b. Reserves policy

The reserves policy of the charity is to maintain three months net operating costs in unrestricted reserves. Based on the reported results three months operating costs based on staffing, premises and other overhead costs amount to approximately £303,975. The current unrestricted undesignated reserves balance is £353,340 (2021: £411,847).

c. Principal risks and uncertainties

A risk assessment continues to be carried out and monitored during the year by the Board of Trustees who receive a risk matrix at every meeting, and it is anticipated that this process will continue in the future. Key risks are discussed at Board meetings.

The charity will continue to develop systems to monitor and control risks to mitigate any impact they may have on the charity. The Trustees will examine the major risks that the charity faces each financial year when preparing the strategic plan.

d. Principal funding

The directors are satisfied that the charitable company's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds. All funding sourced is managed according to the requirements of the grant application and regulations of the funding body.

Structure, governance and management

a. Constitution

Derby Quad Limited is based at Quad Market Place, Cathedral Quarter, Derby, DE1 3AS. This is also the company's registered office. Derby Quad Limited is a company limited by guarantee (Company Registration No 05465412) and Registered Charity (No 1115546). The Charity was originally incorporated on 27 May 2005 as Derby Visual Arts and Media Centre Limited and changed its name to Derby Quad Limited on 22 November 2005. The Charity's governing document is the Memorandum and Articles of Association as amended by special resolutions dated 27 February 2006 and 13 April 2006. The company registered as a charity on 24 July 2006.

The principal activity of the group was that of running a charity with the aim to promote the education, development, and appreciation of the Arts.

b. Methods of appointment or election of Trustees

The management of the Group and the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association.

c. Organisational structure and decision-making policies

The business of the charity is managed by a Board of Trustees consisting of a minimum of six members including not more than one member nominated by Derby City Council. Board Members are elected at the Annual General Meeting and the Board has powers to appoint Board Members at any time. Board Members so appointed hold office until the following AGM, when they become eligible for re-election as follows:

At the time of the third AGM, and at each subsequent AGM, one third of the Directors must retire and are eligible for re-election. However, a director may not serve for more than 9 years in succession nor be reappointed within 1 year thereafter. Trustees who served in the Board of Trustees during the financial period are listed on page 1.

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

Whenever new Trustees are required, QUAD seeks persons who demonstrate a commitment to the aims and objectives of the charity and who have the specific skills and experience already identified. Following widespread publicising of the posts and receipt of written applications, an informal, first stage selection process is conducted. After a short list procedure, formal interviews will be held.

If the person is then invited to become a trustee and accepts the invitation, they will receive an introduction pack which will include a description of the organisation and its management structure, a description of the duties and responsibilities of Trustees, copies of all the charity's policies and relevant procedures. Trustees will also be offered access to relevant training opportunities both within and outside of the organisation.

e. Pay policy for key management personnel

The Trustees consider the Board of Directors, who are QUAD's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running, and operating the QUAD on a day-to-day basis.

All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in the accounts.

The pay of the senior staff is reviewed annually through the appraisal system and any increases, although not regularly made, will be based on significant change to job roles. In view of the nature of the charity, the Directors benchmark against pay levels in other multi artform venues of a similar size with similar income levels.

f. Financial risk management

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

During these challenging economic times the impact of art and culture on the wellbeing of the population cannot be underestimated. QUAD's strategic importance to Derby's cultural offer and the role it plays in the wider cultural life of the UK is highly regarded.

QUAD was delighted to receive confirmation that it has been successful in securing funding from Arts Council England of £1.2m over the next 3 years to March 2026. We will continue to build on our increased profile as a leader in the exploration of digital media in the Midlands. An underlying focus of this is to improve the lives of our audiences through art, film and digital media in a variety of ways with a particular emphasis on deepening the experience that users have with us. Inspired by the world around us, our seasons and vision for our programme will look at community, people and the environment. QUAD's 2023 – 2024 activities are informed by a world still emerging from the COVID19 pandemic. We will seek to interrogate a 'new normal', providing platforms for audiences, artists, creatives, technologists, and educators to share inclusive ways to experience culture. The core of our programme through to March 2026 will focus on education and wellbeing, world-class exhibitions and events programme, with environmental responsibility at the core.

Each year from 2023 to 2026 our programme will pivot around a 'Summer Season', with summer 2023 laying the foundations with a 'Season of Worldbuilding'. These themes will influence and inform each year-long programme, through our Main Gallery and Extra Gallery Spaces exhibitions; Artist Residency/ CPD training; Health & Wellbeing offer; Education engagement, and socially engaged practice elements, to provide an intertwining offer to a broad community of audiences, stakeholders, investors, QUAD staff team and local, national and international creatives.

Key objectives for the Charity over the next year include:
1. Increase diversity amongst our audiences and enhance our cultural offer;
2. Continue to increase visitors and audience numbers;
3. Increase and focus on depth of experience through the programme;
4. Continue to grow national and international reputation;
5. Utilise our strengths relating to wellbeing activities to fit in line with City principles and maintain an engaged, motivated and skilled team; and
6. Evolve the business model to respond to the challenges of the current economic environment.

These will be measured against agreed KPI's year on year and monitored by the Board of Trustees working closely with the CEO and the executive team. The business plan objectives will be agreed with all stakeholders to ensure they meet the needs of key funders. A full risk register is in place to monitor against risk relating to these areas and this will be reviewed and updated on an ongoing basis. A significant amount of this activity is based on existing best practice and partnerships that can be further developed through this period, including those with Derby City Council, the British Film Institute, Arts Council England and the University of Derby.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, PKF Smith Cooper Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 22 December 2022 and signed on their behalf by:

M Gregory
(Chair of Trustees)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DERBY QUAD LIMITED

Opinion

We have audited the financial statements of Derby Quad Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that there remains significant uncertainty around the long term effects of inflation pressures on the global economy and the knock on affect this will have on the Group. As stated in note 1.2, these events or conditions, along with the other matters as set forth in note 1.2, indicate that a material uncertainty exists that may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DERBY QUAD LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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.
- 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 our knowledge and understanding of the charitable company 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 Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, 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; 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 Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DERBY QUAD LIMITED (CONTINUED)

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

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

We identified that the principal risk of fraud or non-compliance with laws and regulations related to:
- management bias in respect of accounting estimates and judgements made;
- management override of control;
- posting of unusual journals or transactions;
- significant cash based transactions.

Our procedures included, but were not limited to:
- Enquiry of management and those charged with governance around actual and potential litigation and claims, including instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance where available;
- Reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias. In particular a review of doubtful debts.

It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DERBY QUAD LIMITED (CONTINUED)

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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

James Delve (Senior Statutory Auditor)
for and on behalf of
PKF Smith Cooper Audit Limited
Statutory Auditors
Prospect House
1 Prospect Place
Millennium Way
Derby
DE24 8HG

22 December 2022

DERBY QUAD LIMITED

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:					
Donations and legacies	3	**-**	**11,894**	**11,894**	*25,500*
Charitable activities	4	**374,729**	**1,540,272**	**1,915,001**	*2,058,530*
Other trading activities	6	**-**	**538,464**	**538,464**	*154,325*
Other income	7	**-**	**7,427**	**7,427**	*276*
Total income		**374,729**	**2,098,057**	**2,472,786**	*2,238,631*
Expenditure on:					
Raising funds		**-**	**516,622**	**516,622**	*321,062*
Charitable activities	8	**246,754**	**1,618,867**	**1,865,621**	*1,617,114*
Total expenditure		**246,754**	**2,135,489**	**2,382,243**	*1,938,176*
Net income/(expenditure)		**127,975**	**(37,432)**	**90,543**	*300,455*
Transfers between funds	20	**21,075**	**(21,075)**	**-**	*-*
Net movement in funds		**149,050**	**(58,507)**	**90,543**	*300,455*
Reconciliation of funds:					
Total funds brought forward		**17,088**	**411,847**	**428,935**	*128,480*
Net movement in funds		**149,050**	**(58,507)**	**90,543**	*300,455*
Total funds carried forward		**166,138**	**353,340**	**519,478**	*428,935*

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

The notes on pages 20 to 41 form part of these financial statements.

DERBY QUAD LIMITED

(A Company Limited by Guarantee)
REGISTERED NUMBER: 05465412

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £		*2021* *£*
Fixed assets					
Intangible assets	14		**9,115**		*14,187*
Tangible assets	15		**220,695**		*108,636*
			229,810		*122,823*
Current assets					
Stocks	17	**10,271**		*7,554*	
Debtors: amounts falling due after more than one year	18	**142,732**		*149,866*	
Debtors: amounts falling due within one year	18	**227,933**		*241,981*	
Cash at bank and in hand		**345,984**		*542,547*	
		726,920		*941,948*	
Creditors: amounts falling due within one year	19	**(437,252)**		*(635,836)*	
Net current assets			**289,668**		*306,112*
Total assets less current liabilities			**519,478**		*428,935*
Total net assets			**519,478**		*428,935*
Charity funds					
Restricted funds	20		**166,138**		*17,088*
Unrestricted funds	20		**353,340**		*411,847*
Total funds			**519,478**		*428,935*

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

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

The financial statements were approved and authorised for issue by the Trustees on 22 December 2022 and signed on their behalf by:

M Gregory
(Chair of Trustees)

The notes on pages 20 to 41 form part of these financial statements.

DERBY QUAD LIMITED

(A Company Limited by Guarantee)
REGISTERED NUMBER: 05465412

COMPANY BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £		*2021* *£*
Fixed assets					
Intangible assets	14		**9,115**		*14,187*
Tangible assets	15		**212,552**		*103,009*
Investments	16		**1**		*1*
			221,668		*117,197*
Current assets					
Debtors: amounts falling due after more than one year	18	**142,732**		*149,866*	
Debtors: amounts falling due within one year	18	**245,561**		*236,704*	
Cash at bank and in hand		**241,365**		*512,775*	
		629,658		*899,345*	
Creditors: amounts falling due within one year	19	**(339,217)**		*(563,561)*	
Net current assets			**290,441**		*335,784*
Total assets less current liabilities			**512,109**		*452,981*
Total net assets			**512,109**		*452,981*
Charity funds					
Restricted funds	20		**166,138**		*17,086*
Unrestricted funds	20		**345,971**		*435,895*
Total funds			**512,109**		*452,981*

The Company's net movement in funds for the year was £59,128 *(2021 - £328,110)*.

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

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

The financial statements were approved and authorised for issue by the Trustees on 22 December 2022 and signed on their behalf by:

M Gregory
(Chair of Trustees)

The notes on pages 20 to 41 form part of these financial statements.

DERBY QUAD LIMITED

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	*2021 £*
Cash flows from operating activities		
Net cash used in operating activities	**(52,297)**	*395,244*
Cash flows from investing activities		
Proceeds from the sale of tangible fixed assets	**708**	*1,042*
Purchase of tangible fixed assets	**(144,974)**	*(9,792)*
Net cash used in investing activities	**(144,266)**	**(8,750)**
Change in cash and cash equivalents in the year	**(196,563)**	**386,494**
Cash and cash equivalents at the beginning of the year	**542,547**	*156,053*
Cash and cash equivalents at the end of the year	**345,984**	*542,547*

The notes on pages 20 to 41 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

Derby Quad Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.2 Company status

The Company is a company limited by guarantee. The members of the Company are the Trustees named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £10 per member of the Company.

1.3 Going concern

In preparing the financial statements the Trustees are required to assess the Company's and Group's ability to adopt the going concern basis of accounting. As explained in the Trustee's report the year has been one of recovery following the various Covid-19 lock downs that impacted previous periods and the start of the financial year presented.

The Trustees are satisfied with the way the Group responded to Covid-19 and are thankful to the dedicated team for the work done and the public funding provided during this time allowing the Group to be well prepared to return to a more normal environment during the financial year 21/22. Due to the careful management and support received from its stakeholders the Group has maintained its target of an unrestricted reserves balance in excess of 3 months cost in line with the reserves policy throughout the year. The Charity has also recently received confirmation that it has been successful in securing funding from Arts Council England of £1.4m over the 3 year period to March 2026 which is testament to the hard work of the dedicated team and the quality of the work QUAD delivers across all of its activities and programmes.

As at March 2022 and in the period subsequently the attendance and trading activities are not yet back to the levels achieved pre Covid which was the target but there have been steady improvements since the Group could fully re-open.

1. Accounting policies (continued)

At the time the financial statements are being approved the economic environment is challenging with significant levels of inflation putting pressure on the cost of living. The Trustees recognise that the economic environment will impact on the disposable income of the Group's customers and members and is likely to result in a reduction in future attendance and returns from trading activity. The inflationary pressure on the cost base of the organisation also requires careful management, particularly energy costs which come out of the current energy cap agreements over the next 12 months and are expected to increase significantly.

The Trustees have prepared trading forecasts for the period to March 2024, being 15 months from the date the financial statements have been approved and detailed cash flow forecasts for the 12 months to December 2023. These forecasts take account of the current economic conditions and factor in inflationary cost increases and assume funding levels consistent with those achieved historically with sensitivity applied to the trading income in light of the cost of living pressures. The forecasts show that the Group has sufficient funds to discharge its liabilities when they fall due throughout the forecast period.

However, as is common in the charitable sector, the reserves and cash headroom are not of a level that could withstand significant downside sensitivity such as:

- Long term inflation pressure leading to a deep economic recession with substantially reduced levels of disposable income for the medium term impacting the trading activities and cost base of the Group more significantly than forecast;
- changes in the funding arrangements from stakeholders as a result of pressure on public finances.

Downside sensitivities to the base case forecasts, such as the ones set out above, could require additional funding to be provided by the stakeholders of the Group over and above that is currently agreed or assumed based on historic levels or further fundamental changes to the business model will be required. Should such a scenario arise, the Trustees anticipate that such funding would be available given the relationship with stakeholders and support provided to date, however, they recognise that this is not guaranteed and, therefore, have concluded that there are matters that indicate the existence of material uncertainties which may cast significant doubt about the Company's and or Group's ability to continue as a going concern.

Notwithstanding this material uncertainty, having assessed the likely downside scenarios and the options available to the Group the Trustees have formed the judgement that it is appropriate to prepare the financial statements on a going concern basis.

1.4 Income

All income is recognised once the Group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.6 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.7 Intangible assets and amortisation

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Website	-	5 % years

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

1. Accounting policies (continued)

1.8 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Over the life of the lease
Motor vehicles	- 25% Straight Line
Fixtures and fittings	- 10% - 20% Straight Line
Office equipment	- 20% Straight Line

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 Debtors

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

1.12 Cash at bank and in hand

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

1.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

1. Accounting policies (continued)

1.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

1.16 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

1.17 Fund accounting

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

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

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions used by the Group are not deemed to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £
Donations	11,894	**11,894**

3. Income from donations and legacies (continued)

	Unrestricted funds 2021 £	*Total funds 2021 £*
Donations	*25,500*	*25,500*

4. Income from charitable activities

	Restricted funds 2022 £	**Unrestricted funds 2022 £**	**Total funds 2022 £**
Derby City Council	-	100,000	**100,000**
Derby City Council (rent in kind)	-	260,000	**260,000**
Project grants	293,971	65,751	**359,722**
Arts Council England	-	466,176	**466,176**
Coronavirus job retention scheme	-	68,242	**68,242**
COVID response funding	-	208,000	**208,000**
Other charitable activities (Note 4)	80,758	372,103	**452,861**
	374,729	1,540,272	**1,915,001**

	Restricted funds 2021 £	*Unrestricted funds 2021 £*	*Total funds 2021 £*
Derby City Council	*-*	*100,000*	*100,000*
Derby City Council (rent in kind)	*-*	*260,000*	*260,000*
Project grants	*128,880*	*60,000*	*188,880*
Arts Council England	*-*	*466,176*	*466,176*
Coronavirus job retention scheme	*-*	*451,053*	*451,053*
COVID response funding	*-*	*432,572*	*432,572*
Other charitable activities (Note 4)	*106,384*	*53,465*	*159,849*
	235,264	*1,823,266*	*2,058,530*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. Income from other charitable activities

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Cinema takings	-	219,788	**219,788**
Other fees and commissions	80,758	118,471	**199,229**
Advertising income	-	5,570	**5,570**
Membership	-	26,173	**26,173**
Workshop/training	-	2,101	**2,101**
	80,758	372,103	**452,861**

	Restricted funds 2021 £	*Unrestricted funds 2021 £*	*Total funds 2021 £*
Cinema takings	*-*	*20,078*	*20,078*
Other fees and commissions	*106,384*	*20,578*	*126,962*
Advertising income	*-*	*508*	*508*
Sponsorship	*-*	*700*	*700*
Membership	*-*	*10,218*	*10,218*
Workshop/training	*-*	*1,383*	*1,383*
	106,384	*53,465*	*159,849*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

6. Trading activities

The wholly owned subsidiary, Derby Quad Enterprises Limited (company number 06643908), is incorporated in the UK and distributes all of its profits to the Charity under the gift aid scheme. The Company operates the cafe, bar and hire activities at the Quad. The Charity owns 100% of the ordinary share capital of the Company. A summary of trading results pre distribution to the Charity is shown below. The amount of gift aid from the subsidiary was £13,968 (2020: £Nil).

	Unrestricted funds 2022 £	*Total funds 2022 £*
Cafe bar income	**309,646**	*309,646*
Advertising	**1,100**	*1,100*
Room hire	**88,319**	*88,319*
Tech Squad and Game Time	**56,783**	*56,783*
Sponsorship	**10,680**	*10,680*
Workshop/training	**55,889**	*55,889*
Shop income	**16,047**	*16,047*
	538,464	*538,464*
Marketing costs	**(110)**	*(110)*
Premises costs	**(6,709)**	*(6,709)*
Other trading costs	**(247,118)**	*(247,118)*
Professional fees and board expenses	**(48)**	*(48)*
Wages, national insurance and pension	**(260,590)**	*(260,590)*
Depreciation	**(2,047)**	*(2,047)*
Interest payable	**-**	-
	(516,622)	*(516,622)*
	21,842	*21,842*

The trading subsidiary also received government grants totalling £23,541 (2020:£139,082) which is included in Note 3.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

	Unrestricted funds 2021 £	*Total funds 2021 £*
Charity trading income	**-**	*-*
Cafe bar income	**44,688**	*44,688*
Room hire	**2,266**	*2,266*
Tech Squad and Games Time	**91,682**	*91,682*
Sponsorship	**13,542**	*13,542*
Workshop/training	**(600)**	*(600)*
Shop income	**2,747**	*2,747*
	154,325	*154,325*
Charity trading expenses	**-**	*-*
Marketing costs	**(276)**	*(276)*
Premises costs	**(943)**	*(943)*
Other trading costs	**(90,750)**	*(90,750)*
Professional fees and board expenses	**(48)**	*(48)*
Wages, national insurance and pension	**(226,917)**	*(226,917)*
Depreciation	**(1,985)**	*(1,985)*
Interest payable	**(143)**	*(143)*
	(321,062)	*(321,062)*
	(166,737)	*(166,737)*

	2022 £	*2021 £*
The assets and liabilities of the subsidiary are:		
Assets	**185,951**	*84,828*
Liabilities	**(178,585)**	*(108,877)*
Total net assets	**7,366**	*(24,049)*

7. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £
Other income	7,427	**7,427**

	Unrestricted funds 2021 £	*Total funds 2021 £*
Other income	*276*	*276*

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £
Charitable activities	246,754	1,618,867	**1,865,621**

	Restricted funds 2021 £	*Unrestricted funds 2021 £*	*Total 2021 £*
Charitable activities	*265,285*	*1,351,829*	*1,617,114*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. Charitable activities expenditure

	2022 £	*2021 £*
Other direct costs	**53,241**	*124,143*
Arts programme & activity	**451,772**	*262,594*
Brochures and materials	**-**	*720*
Support costs (Note 9)	**1,167,265**	*1,013,907*
Governance costs (Note 9)	**48,636**	*42,246*
Wages and salaries	**115,232**	*135,241*
National insurance	**25,130**	*30,844*
Pension costs	**4,345**	*4,364*
Interest payable	**-**	*3,055*
	1,865,621	*1,617,114*

10. Analysis of governance and support costs

	General support 2022 £	Governance function 2022 £	Total funds 2022 £
Office costs	27,075	1,128	**28,203**
Premises costs and insurance	513,151	21,381	**534,532**
Professional fees and board expenses	15,036	627	**15,663**
Wages and salaries	549,778	22,907	**572,685**
National insurance	16,559	690	**17,249**
Pension	17,425	726	**18,151**
Depreciation and amortisation	28,241	1,177	**29,418**
	1,167,265	48,636	**1,215,901**

	General support 2021 £	*Governance function 2021 £*	*Total funds 2021 £*
Office costs	*(698)*	*(29)*	*(727)*
Premises costs and insurance	*420,576*	*17,524*	*438,100*
Professional fees and board expenses	*12,461*	*519*	*12,980*
Wages and salaries	*533,088*	*22,212*	*555,300*
National insurance	*7,524*	*314*	*7,838*
Pension	*17,977*	*749*	*18,726*
Depreciation and amortisation	*22,979*	*957*	*23,936*
	1,013,907	*42,246*	*1,056,153*

11. Auditors' remuneration

	2022 £	*2021 £*
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**7,500**	*7,500*

12. Staff costs

	Group 2022 £	*Group 2021 £*	**Company 2022 £**	*Company 2021 £*
Wages and salaries	**932,660**	*907,005*	**687,917**	*690,541*
Social security costs	**53,304**	*45,217*	**42,379**	*38,682*
Contribution to defined contribution pension schemes	**27,418**	*27,008*	**22,496**	*23,090*
	1,013,382	*979,230*	**752,792**	*752,313*

In addition to the amounts disclosed above the Company and Group also incurred £74,806 (2021: £80,267) of wages costs that are included in Arts programme and activity costs.

The average number of persons employed by the Company during the year was as follows:

	Group 2022 No.	*Group 2021 No.*	**Company 2022 No.**	*Company 2021 No.*
Charitable activities	**64**	*76*	**45**	*53*
Management and administration	**9**	*7*	**9**	*7*
	73	*83*	**54**	*60*

12. Staff costs (continued)

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of Derby Quad Limited comprise of the CEO, Artistic Director, Marketing Manager, Accounts Manager, Technical Services Manager, Format Director, Programme Manager, HR Manager and two Visitor Services Managers. The total amount of employee benefits received by key management personnel is £229,197 (2021: £191,727).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2021 - £NIL)*.

During the year ended 31 March 2022, no Trustee expenses have been incurred *(2021 - £NIL)*.

14. Intangible assets

Group

	Website £
Cost	
At 1 April 2021	**25,360**
At 31 March 2022	**25,360**
Amortisation	
At 1 April 2021	**11,173**
Charge for the year	**5,072**
At 31 March 2022	**16,245**
Net book value	
At 31 March 2022	**9,115**
At 31 March 2021	*14,187*

14. Intangible assets (continued)

Company

	Website £
Cost	
At 1 April 2021	**25,360**
At 31 March 2022	**25,360**
Amortisation	
At 1 April 2021	**11,173**
Charge for the year	**5,072**
At 31 March 2022	**16,245**
Net book value	
At 31 March 2022	**9,115**
At 31 March 2021	*14,187*

15. Tangible fixed assets

Group

	Long term leasehold property £	Cinema and other equipment £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2021	**266,434**	**395,296**	**195,921**	**372,400**	**1,230,051**
Additions	**-**	**11,083**	**14,112**	**119,779**	**144,974**
Disposals	**-**	**(5,641)**	**-**	**-**	**(5,641)**
At 31 March 2022	**266,434**	**400,738**	**210,033**	**492,179**	**1,369,384**
Depreciation					
At 1 April 2021	**198,086**	**367,433**	**193,643**	**362,253**	**1,121,415**
Charge for the year	**3,107**	**12,312**	**1,144**	**16,352**	**32,915**
On disposals	**-**	**(5,641)**	**-**	**-**	**(5,641)**
At 31 March 2022	**201,193**	**374,104**	**194,787**	**378,605**	**1,148,689**

15. Tangible fixed assets (continued)

Group (continued)

	Long term leasehold property £	Cinema and other equipment £	Fixtures and fittings £	Office equipment £	Total £
Net book value					
At 31 March 2022	**65,241**	**26,634**	**15,246**	**113,574**	**220,695**
At 31 March 2021	*68,348*	*27,863*	*2,278*	*10,147*	*108,636*

15. Tangible fixed assets (continued)

Company

	Long term leasehold property £	Cinema and other equipment £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2021	**266,434**	**370,173**	**180,265**	**372,400**	**1,189,272**
Additions	**-**	**7,688**	**12,945**	**119,779**	**140,412**
At 31 March 2022	**266,434**	**377,861**	**193,210**	**492,179**	**1,329,684**
Depreciation					
At 1 April 2021	**198,086**	**347,937**	**177,987**	**362,253**	**1,086,263**
Charge for the year	**3,107**	**10,321**	**1,089**	**16,352**	**30,869**
At 31 March 2022	**201,193**	**358,258**	**179,076**	**378,605**	**1,117,132**
Net book value					
At 31 March 2022	**65,241**	**19,603**	**14,134**	**113,574**	**212,552**
At 31 March 2021	*68,348*	*22,236*	*2,278*	*10,147*	*103,009*

16. Fixed asset investments

Company	Investments in subsidiary companies £
Cost	
At 1 April 2021	**1**
At 31 March 2022	**1**
Net book value	
At 31 March 2022	**1**
At 31 March 2021	*1*

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
Derby Quad Enterprises Limited	06643908	Quad Market Place, Cathedral Quarter, Derby, DE1 3AS	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Derby Quad Enterprises Limited	**562,005**	**(516,622)**	**45,383**	**7,366**

17. Stocks

	Group 2022 £	*Group 2021 £*
Shop and cafe stock	**10,271**	*7,554*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. Debtors

	Group 2022 £	*Group 2021 £*	Company 2022 £	*Company 2021 £*
Due after more than one year				
Other debtors	**142,732**	*149,866*	**142,732**	*149,866*

	Group 2022 £	*Group 2021 £*	Company 2022 £	*Company 2021 £*
Due within one year				
Trade debtors	**74,677**	*81,473*	**22,341**	*62,966*
Amounts owed by group undertakings	**-**	*-*	**80,550**	*36,602*
Other debtors	**23,299**	*70,151*	**23,295**	*55,551*
Prepayments and accrued income	**40,876**	*40,270*	**30,294**	*31,498*
Grants receivable	**89,081**	*50,087*	**89,081**	*50,087*
	227,933	*241,981*	**245,561**	*236,704*

19. Creditors: Amounts falling due within one year

	Group 2022 £	*Group 2021 £*	Company 2022 £	*Company 2021 £*
Trade creditors	**115,461**	*147,826*	**95,506**	*140,511*
Other taxation and social security	**33,495**	*69,343*	**13,283**	*37,186*
Other creditors	**10,887**	*12,308*	**6,712**	*11,198*
Accruals and deferred income	**277,409**	*406,359*	**223,716**	*374,666*
	437,252	*635,836*	**339,217**	*563,561*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Reserves	**411,847**	**2,098,057**	**(2,135,489)**	**(21,075)**	**353,340**
Restricted funds					
Other projects and grants	**-**	**251,945**	**(177,869)**	**10,768**	**84,844**
FORMAT Festival	**-**	**52,784**	**(63,091)**	**10,307**	**-**
Capital grants	**17,088**	**70,000**	**(5,794)**	**-**	**81,294**
	17,088	**374,729**	**(246,754)**	**21,075**	**166,138**
Total of funds	**428,935**	**2,472,786**	**(2,382,243)**	**-**	**519,478**

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Balance at 31 March 2021* £
Unrestricted funds					
Reserves	*110,579*	*2,003,367*	*(1,672,891)*	*(29,208)*	*411,847*
Restricted funds					
Other projects and grants	*-*	*148,828*	*(148,828)*	*-*	*-*
FORMAT Festival	*-*	*86,436*	*(115,644)*	*29,208*	*-*
Capital grants	*17,901*	*-*	*(813)*	*-*	*17,088*
	17,901	*235,264*	*(265,285)*	*29,208*	*17,088*
Total of funds	*128,480*	*2,238,631*	*(1,938,176)*	*-*	*428,935*

The specific purpose for which the funds are to be applied are as follows:

Unrestricted funds represent those resources which may be used towards meeting any of the charitable objectives at the discretion of the Trustees.

Restricted funds comprise of grants for specific projects or capital purchases and will only be used for the purpose that the grants were intended.

The transfer out of other projects and grants is for the allowable project expenditure that is included in unrestricted expenditure such as wages and other overheads.

The transfer in to the FORMAT fund is the Charity's contribution to the festival from unrestricted reserves.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	81,294	139,401	**220,695**
Intangible fixed assets	-	9,115	**9,115**
Debtors due after more than one year	-	142,732	**142,732**
Current assets	84,844	513,312	**598,156**
Creditors due within one year	-	(451,220)	**(451,220)**
Total	166,138	353,340	**519,478**

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	*Unrestricted funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	*17,088*	*91,548*	*108,636*
Intangible fixed assets	*-*	*14,187*	*14,187*
Debtors due after more than one year	*-*	*149,866*	*149,866*
Current assets	*-*	*792,082*	*792,082*
Creditors due within one year	*-*	*(635,836)*	*(635,836)*
Total	*17,088*	*411,847*	*428,935*

22. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £27,418 (2021: £27,008). Contributions totalling £9,254 (2021: £6,553) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

At 31 March 2022 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	*Group 2021 £*	**Company 2022 £**	*Company 2021 £*
Not later than 1 year	**8,031**	*8,031*	**8,031**	*8,031*
Later than 1 year and not later than 5 years	**3,168**	*11,652*	**3,168**	*11,652*
	11,199	*19,683*	**11,199**	*19,683*

24. Related party transactions

Information about related party transactions and outstanding balances is outlined below:

	Income £	**Expenditure £**	**Debtors £**	**Creditors £**
University of Derby Theatre Limited (a company with a director in common)				
- At 31 March 2022	**9,339**	**-**	**9,339**	**-**
- At 31 March 2021	**5,000**	**-**	**-**	**-**
Derby Museums (a company with a director in common)				
- At 31 March 2022	**4,000**	**-**	**-**	**-**
- At 31 March 2021	**4,000**	**-**	**-**	**-**
B M Walsh (director)				
- At 31 March 2022	**400**	**-**	**-**	**-**
- At 31 March 2021	**-**	**-**	**400**	**-**
Geldards LLP (a partnership with a director in common)				
- At 31 March 2022: None				
- At 31 March 2021	**400**	**1,200**	**-**	**1,200**
H Herve-Petts (Key management)				
- At 31 March 2022: None				
- At 31 March 2021	**-**	**-**	**-**	**23**
	23,139	**1,200**	**9,739**	**1,223**

25. Company limited by guarantee

Derby Quad Limited is a company limited by guarantee and accordingly does not have share capital.

Every member of the Company undertakes to contribute such an amount as may be required not exceeding £10 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

DERBY QUAD LIMITED

England & Wales - Charity number 1115546

Accounts

Registered number: 05465412
Charity number: 1115546

DERBY QUAD LIMITED

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

DERBY QUAD LIMITED
(A Company Limited by Guarantee)

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DERBY QUAD LIMITED

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees	K Donald L Earle R Goldsmith M Jordan (resigned 23 March 2021) S Loates M O'Sullivan (resigned 15 December 2020) C Sexton N Simone (resigned 6 October 2020) G Singleton H N StCyr B N Udeh A Venkatesh B M Walsh J Williams R J Wood (resigned 6 October 2020) K Mclay (appointed 6 October 2020) J West (appointed 6 October 2020, resigned 7 September 2021) T Prosser (appointed 7 September 2021)
Company registered number	05465412
Charity registered number	1115546
Registered office	Quad Market Place Cathedral Quarter Derby DE1 3AS
Company secretary	M R Abbotts
Chief executive officer	V Malhotra
Independent auditors	PKF Smith Cooper Audit Limited Chartered Accountants & Statutory Auditors St Helen's House King Street Cathedral Quarter Derby DE1 3EE
Bankers	Barclays Bank UK PLC Leicester LE87 2BB

DERBY QUAD LIMITED

(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the Company for the 1 April 2020 to 31 March 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The Trustees believe that the Charity's aims, together with the activities outlined in this report, are demonstrably to the public benefit.

The principal activity of the charity is the promotion of, reduction in, development of and appreciation of the arts. This is in accordance with the objects contained in the Memorandum and Articles of Association, the charity's governing document.

There has been no material change in the objects of the charity which are:
- Photography, television, video and file and other visual and audio visual Media and Arts,
- Drama, MIME, dramatic improvisation, literature, original writing and presentation of poetry and prose, dance, song and music generally, painting, sculpture, crafts and
- For the particular but not exclusive benefit of the inhabitants of the City of Derby and County of Derbyshire.

b. Strategies for achieving objectives

QUAD reviews its strategic approach to its objectives annually and believes in an inclusive approach to developing these solutions which improve all staff, directors and key stakeholders.

- Ensure we always focus on making art, film and digital media accessible to all
- Pricing policies that enable younger audiences, financially excluded audiences and minority ethnic audiences have access to our programme
- Ongoing review of all costs to ensure we are getting best value for all spend
- Increased use of board Sub -groups and inclusion of new sub-groups relating to Diversity and Cinema to ensure we maximise insights from external partners
- A focus on enhancing QUAD's environmental credentials through focusing on utility usage throughout with a long term aim of Carbon Neutrality
- Further develop our relationship with Derby City Council to ensure we are responsive too and helping to develop city wide priorities including Wellbeing and the reinvigoration of the city centre
- Closer working with the education sector of the city of Derby to help enhance academic achievement and social inclusion
- Ensure alignment with our objectives and those of our key stakeholders
- Ensure diversity and inclusivity are at the forefront of our mind when making decisions about outputs and targets

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

c. Volunteers

The use of volunteers enhances the charity's ability to deliver high quality services to participants and audience by expanding its work in a cost-effective manner and by bringing new skills, enthusiasm and a fresh perspective to the organisation. Volunteers are accepted from:

- Persons with an interest in becoming involved in some aspect of the Charity's work
- Persons who are looking for work as part of community service activity, student internships, personal development and professional development.

New volunteers must be able to demonstrate a commitment to the aims and objectives of the charity and will be expected at all times to discharge their duties in accordance with the charity's procedures and policies.

Achievements and performance

a. Review of activities

QUAD like all organisations suffered significant challenges brought on by the Pandemic. As an organisation that generates over two thirds of its income from earned sources we were exponentially affected compared to other charities. We approached the challenge in a proactive way by engaging key stakeholders and all trustees in addressing short term issues and long-term sustainability. We successfully accessed emergency funding from bodies such as Paul Hamlyn, Arts Council England, The Art Fund and Derby City Council alongside making full use of the furlough scheme with up to 80% of staff on furlough at any one time.

However through the use of innovative technology and ongoing audience engagement QUAD continues to be a leading light locally, nationally and internationally in the world of contemporary art, film and digital media.

QUAD has also positioned itself as a driver for economic development in the region through the ESIF funded 'Big House' project by delivering 'Mainframe' to support digital creative businesses in Derby and Derbyshire. During this year QUAD has continued to play a strategic developmental role in the wider arts and creative culture including contributing to the new Cultural Strategy for the city of Derby, having a role on the advisory boards of the Creative Industries Federation and by staff writing for publications, talking at conferences and events in the UK and Worldwide.

QUAD continues to achieve as a direct result of the hard work and talent of a highly committed team of staff, advocates, partners and Board members.

Board development has continued throughout this year with the further strengthening of the role of board sub-groups and ensuring trustees can work more effectively as advocates for arts and culture in their own sectors. Even though the levels of public investment have decreased significantly these are still crucial to our long-term success. QUAD recognises the challenges all public bodies face and will work in partnership to find the best value and highest impact solutions possible, this includes exploring ways that QUAD can support city wide challenges including education, social mobility, wellbeing and ensuring all communities have a voice.

Achievements and performance (continued)

b. Key performance indicators

QUAD building closures were for the periods:
- 23 March 2020 – 6 September 2020
- 4 November 2020 – 16 May 2021

The figures recorded reflect QUAD being open for only 2 months of the financial year.
- 10,986 (2020: 311,250) people reached through the programme
- We were unable to deliver any outdoor screenings due to national Covid19 restrictions
- We screened 78 (2020: 522) different film titles
- 1,192 people (2020: 7,608) took an active part in participatory arts activities organized by QUAD. This was mainly FORMAT. Approx. ¼ of these online
- We were unable to deliver any physical workshops to schools due to national Covid19 restrictions.
- Online audiences continued to grow, our 20 online galleries for FORMAT welcomed 80,000 people from 94 countries, and featured over 160 artists.
- Over 9,000 people submitted 50k images from 94 countries in our mass participation project.

c. Programme Highlights

Despite the lockdown QUAD's programme continued to excel through an enhanced online presence:
- By creating a new online venue of 20 multiplayer galleries for FORMAT21: CONTROL in collaboration with New Art City.
- By establishing online talks and tours in the virtual galleries.
- By strengthening the FORMAT and QUAD Gallery YouTube, Facebook and Instagram channels.
- By instigating a mass participation project (#massisolationFORMAT) we received 50,000 images from 90+ countries. The images were shown as a giant vinyl wrap on the outside of QUAD and an exhibition at Derby Museum and Art Gallery; and reached a huge international audience.
- Two online international portfolio reviews for FORMAT, 1000 meetings on Zoom for 200+ artists and arts professionals from 50 counties.
- How We Make Meaning exhibition (taking place in QUAD Gallery in early September 2020 and up to the second lockdown) featured work in two solo but conjoined shows by renowned new media/ digital artists Mimi Onuoha (US/Nigeria) and Memo Akten (Turkey). Both artists explore aspects and the meanings of Artificial Intelligence (AI).
- QUAD's International Digital Fellow for 2020-2021 is Danielle Brathwaite-Shirley. Danielle's work focuses on the lives and histories of Black Trans people, reflecting her own identity.
- Artist Tom K Kemp's exhibition Napoleon Complex took place in the QUAD Extra Gallery Spaces. His work incorporates roleplaying game design and animation into filmmaking.
- An example of QUAD promoting and developing the work of diverse local and UK-based artists, is QUAD's participation, as a key partner, in the Peer to Peer programme, a project funded by Arts Council England and the GREAT programme – and intended to foster partnerships between UK and Hong Kong. We nominated Derby-based emerging artist Nisa Khan for a virtual residency with Hong Kong Photo Festival. QUAD also hosted Hong Kong digital artist Hui Wai Keung to undertake a virtual residency.
- We produced a series of 'Exhibition Explorations' films that were made using 3D virtual exhibition scans from previous exhibitions. We produced 15 of these films, as a way of revisiting and examining previous exhibitions, to introduce them online to new audiences and celebrate the work QUAD has done in supporting artists to make new work.
- Throughout this year we launched our FORMAT Photoforum online with 30+ talks with artists, curator and leading cultural thinkers.
- Aware that local graduating students were unable to undertake physical residencies QUAD/FORMAT developed a programme of Virtual Residencies with 3 recent graduates of the BA Photography course, 3 graduates from the BA Fine Art and 2 graduates from MA Film/Photography from the University of Derby.

Achievements and performance (continued)

. Programme Highlights (continued)

QUAD's curatorial team turned to Zoom during the lockdowns in 2020 – hosting over video conferencing platforms such as Zoom and Teams virtual studio visits, portfolio reviews and mentoring sessions with artists regionally, across the UK and internationally.

FORMAT21: CONTROL
QUAD took the decision to hold their international photography festival FORMAT21 online. The December 2020 press launch, including presentations from 50 global partners took place online, being broadcast live from QUAD across social media platforms.
FORMAT21: CONTROL, opening in March 2021, curated over 160 international contemporary photography and related media projects and 50,000+ images. The online venue enabled FORMAT21 to push the boundaries of the co-curation and sharing of art in the digital world and pioneered how artists can present their ideas beyond physical boundaries. Visitors to the digital festival are able to meet friends, navigate the exhibitions, attend tours, performances and events. To support visitors to FORMAT21 we cultivated an online team of 105 volunteers - from UK, China, USA, Portugal, India, Bulgaria and Greece who were present in the galleries, live 24hrs a day, proactively engaging visitors.
The official media partner of FORMAT21 was The Guardian/Observer and The British Journal of Photography. The exhibition is available until March 2023.

School in Residence Programme Legacy Resources (funded by Paul Hamlyn Foundation). QUAD have commissioned five artists to produce written and video content for legacy resources (how to tutorials) for use with schools and general engagement.

QClub is a QUAD programme funded by BBC Children In Need for children and young people on the autistic spectrum. QClubbers have regular opportunity to work with a variety of artists to explore digital technologies in a visual art context. The weekly creative workshops were run online during 2020.

d. Fundraising activities and income generation

QUAD works with an external consultant to help develop and support our fundraising strategy ongoing. The primary areas of work that this encompasses are:
- Trust and foundations applications
- Business engagement
- Individual giving

This work is carried out in conjunction with the Senior Management team at QUAD and direct delivery of activities is managed by QUAD staff. Currently our individual giving activity is focused through online donations via our ticketing website (additional donations can be made as one-off payments as well) and in person through physical collection points in the building.

We monitor progress of funding applications and campaigns through regular meetings and a pipeline document which shows the status and success/failure of current funding applications. Other fundraising activity is monitored directly with the Senior Management team at QUAD.

QUAD has an overarching data protection policy which ensures all activity is compliant with current legislation including GDPR regulations. All fundraising activity is compliant with this policy. Allied to this we are currently developing an Ethical Investment policy which will set out the parameters of what we expect from businesses we work with and the occasions whereby we would not work with a business because of ethical concerns.

As a direct response to the enforced Covid-19 closure in March 2020, a patron based fundraising campaign 'Open Our Doors' was launched in April 2020. This resulted in over £13,000 donations, indicative of a groundswell of support for QUAD's programme outputs and a desire by our audiences to see the organisation thrive.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

e. Investment policy and performance

The Trustee' investment powers are governed by the Memorandum and Articles of Association, which permits the charity's funds to be invested in or on such investments, securities or property, as may be thought fit.

. Financial review

a. Going concern

In preparing the financial statements the Trustees are required to assess the Company's and Group's ability to adopt the going concern basis of accounting. The impact of the Covid-19 pandemic has been considered by the Trustees in forming this assessment.

As explained in the trustees report the Covid-19 pandemic impacted on the activities during the year. The organisation closed to the public on 20 March 2020 for approximately four months, re-opening in July 2020. Following a second wave of the virus the Government introduced a tier system and the organisation closed again in November 2020, re-opening after the period end. During this time the Group generated minimal income from trading activities and therefore overall income levels are significantly reduced. Since May 2021 activity and visitor numbers have grown positively and are in advance of levels forecast at the time of re-opening, albeit down on the pre-Covid levels of 2019.

The Group has carefully managed costs and utilised the Coronavirus Job Retention Scheme to preserve jobs during the time of reduced activity levels. The Group is also grateful for emergency public funding provided to arts and cultural organisations during this time. Due to the support received along with the hard work by all members of the dedicated team the Group has settled all liabilities as they have fallen due and at the date of approval of the financial statements the Group has a cash surplus and no external debt other than working capital liabilities.

The Trustees are satisfied that all appropriate steps have been taken and careful management of the organisation has led to an unrestricted reserves balance of in excess of 3 months cost in line with the reserves policy. However, they recognise that the impact of Covid-19 has created unprecedented levels of uncertainty.

The Trustees have considered trading forecasts for the period to March 2023, being 15 months from the date of approval of the financial statements. The base case forecasts assume the organisation will continue to remain open during the forecast period and the activity levels will continue to grow steadily such that by March 2022 activity levels are close to those experienced pre the Covid disruption. During the year the management team have implemented significant cost saving measures and are satisfied that the returns now being achieved on the resources expanded are improved compared to previous periods. The forecast shows that the Group is expected to have sufficient funds to discharge liabilities when they fall due throughout the forecast period

As with most financial models, changes to key assumptions could have a material impact on the timing of the receipts of income, costs incurred and subsequently the going concern of the Group.

There are various downside scenarios to the base forecasts identified by the Trustees including:

- unplanned further Covid-19 disruption resulting in additional lock downs or a slower return of the activity levels than forecast;
- a deep economic recession with substantially reduced levels of disposable income for the medium term impacting the timing and extent of the recovery of the Group's activity; and
- changes in the funding arrangements from stakeholders as a result of pressure on public finances.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Financial review

a. Going concern (continued)

The Trustees consider it unlikely, given the experience to date during the disruption arising from Covid-19, but there is a risk that one or more downside sensitivities to the base case forecasts, such as the ones set out above, could require additional funding to be provided by the stakeholders of the Group over and above that which is currently agreed or further fundamental changes to the business model will be required. Should such a scenario arise, the Trustees anticipate that such funding would be available given the experience to date, however, they recognise that this is not guaranteed and therefore have concluded that there are matters that indicate the existence of material uncertainties which may cast significant doubt about the Company's and or Group's ability to continue as a going concern.

Notwithstanding this material uncertainty, having assessed the likely downside scenarios and the options available to the Group the Trustees have formed the judgement that it is appropriate to prepare the financial statements on a going concern basis.

b. Reserves policy

The reserves policy of the charity is to maintain three months net operating costs in unrestricted reserves. Based on the reported results three months operating costs based on staffing, premises and other overhead costs amount to approximately £350,000. The current unrestricted undesignated reserves balance is £411,847 (2020: £110,579).

c. Principal risks and uncertainties

A risk assessment, based on the Arts Council's process, continues to be carried out and monitored during the year by the board of Trustees and it is anticipated that this process will continue in the future. Key minutes from these meetings will be reported at full board meetings.

The charity will continue to develop systems to monitor and control risks to mitigate any impact they may have on the charity in the future. The Trustees will examine the major risks that the charity faces each financial year when preparing the strategic plan.

d. Principal funding

The directors are satisfied that the charitable company's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds. All funding sourced is managed according to the requirements of the grant application and regulations of the funding body.

Structure, governance and management

a. Constitution

Derby Quad Limited is based at Quad Market Place, Cathedral Quarter, Derby, DE1 3AS, this is also the company's registered office. Quad Limited is a company limited by guarantee (Company Registration No 05465412) and Registered Charity (No 1115546). The Charity was originally incorporated on 27 May 2005 as Derby Visual Arts and Media Centre Limited and changed its name to Derby Quad Limited on 22 November 2005. The Charity's governing document is the Memorandum and Articles of Association as amended by special resolutions dated 27 February 2006 and 13 April 2006. The company registered as a charity on 24 July 2006.

The principal activity of the group was that of running a charity with the aim to promote the education, development and appreciation of the Arts.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the Group and the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

c. Organisational structure and decision-making policies

The business of the charity is managed by a Board of Management consisting of a minimum of six members including not more than one member nominated by Derby City Council. Board Members are elected at the Annual General Meeting and the Board has powers to appoint Board Members at any time. Board Members so appointed hold office until the following AGM, when they become eligible for re election.

At the time of the third AGM, and at each subsequent AGM, one third of the Directors must retire and are eligible for re election. However a Director may not serve for more than 9 years in succession nor be reappointed within 1 year thereafter. Trustees who served in the Board of Management during the course of the financial period are listed on page 1.

d. Policies adopted for the induction and training of Trustees

Whenever new Trustees are required, we seek persons who demonstrate a commitment to the aims and objectives of the charity and who have the specific skills and experience already identified. Following widespread publicising of the posts and receipt of written applications, an informal, first stage selection process will ensure. After a short list procedure, formal interviews will be held.

If the person is then invited to become a trustee and accepts the invitation, they will receive an introduction pack which will include a description of the organisation and its management structure, a description of the duties and responsibilities of Trustees, copies of all the charity's policies and relevant procedures. Trustees will also be offered access to relevant training opportunities both within and outside of the organisation.

e. Pay policy for key management personnel

The Trustees consider the board of directors, who are QUAD's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the QUAD on a day to day basis. All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in the accounts.

The pay of the senior staff is reviewed annually through the appraisal system and any increases, although not regularly made, will be on the basis of significant change to job roles. In view of the nature of the charity, the Directors benchmark against pay levels in other multi artform venues of a similar size with similar income levels.

f. Financial risk management

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. However we are constantly monitoring the impact of COVID 19 as we move forward.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Plans for future periods

Since the start of the financial year to which these financial statements relate the organisation, like others, have faced the challenges of Covid-19. The first reaction of the Trustee's and senior management team was to ensure that the team of staff and customers were safe and in line with government advice the organisation closed in March 2020. The impact on the programme of activities was a significant with initially a significant reduction in capacities due to social distancing and then total lockdown meaning an immediate need to shift core activities online although most were without income.

QUAD has successfully pivoted over the years to a more income generating organisation than one that is entirely reliant on grant payments. This approach has been put under significant challenge due to the Covid pandemic due to lockdown measure, consumer confidence and social distancing. Moving forward we will further adapt our business model for the 'new normal' by building on the learnings of this period and the creation of a more blended (online and offline) business model which is fit for the future. All staff, trustees and key stakeholders will be involved in this process but it is crucial to recognise that our strategic importance to the city of Derby has never been more relevant and indeed the role that QUAD plays in cultural life of the UK is also highly regarded.

Details of the impact the pandemic has had and the risks presented to the going concern of the group is explained in more detail in note above regarding going concern.

QUAD will build on our increased profile as a leader in the exploration of digital media in the Midlands. An underlying focus of this is to improve the lives of our audiences through art, film and digital media in a variety of ways with a particular focus on deepening the experience that users have with us. Key objectives include:

1. Replace lost funding and increase unrestricted reserves
2. Increase Non White British audiences
3. Increase and focus on depth of experience through the programme
4. Continue to grow national and international reputation
5. Develop new relationships with Derby City Council
6. Focus on and increase use of DDD, research and reflection throughout departments
7. Utilise our strengths of wellbeing activities to fit in line with City principles
8. Create a new business model and plan to be in place by the start of the financial year 22/23

These will be measured against agreed KPI's year on year and monitored by the Board of Trustees working closely with the CEO and SMT. The business plan objectives will be agreed with all stakeholders to ensure they meet the needs of key funders. A full risk register is in place to monitor against risk relating to these areas and this will be reviewed and updated on an ongoing basis. A significant amount of this activity is based on existing best practice and partnerships that can be further developed through this period, including those with Derby City Council, the British Film Institute, Arts Council England and the University of Derby.

Members' liability

The Members of the Company guarantee to contribute an amount not exceeding £10 to the assets of the Company in the event of winding up.

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company 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 Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, PKF Smith Cooper Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 7 December 2021 and signed on their behalf by:

B M Walsh
(Chair of Trustees)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DERBY QUAD LIMITED

Opinion

We have audited the financial statements of Derby Quad Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that there remains significant uncertainty around the long term term effects of the Covid 19 outbreak on the global economy and the knock on affect this will have on the Charity and it's Group. As stated in note 1.2, these events or conditions, along with the other matters as set forth in note 1.2, indicate that a material uncertainty exists that may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. Our evaluation of the Trustees' assessment of the Group's ability to continue to adopt the going concern basis of accounting included a review of the assumptions made in the forecast to March 2023, the post yearend results available at the date of signing the financial statements and review of the latest government guidance on Covid 19 restrictions that would affect the Group's industry.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DERBY QUAD LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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.
- 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 our knowledge and understanding of the charitable company 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 Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, 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; 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 Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DERBY QUAD LIMITED (CONTINUED)

Auditors' 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 Auditors' 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. Based on our understanding of the Group and industry, we identify the key laws and regulations affecting the Group to be the Charities SORP. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified that the principal risk of fraud or non-compliance with laws and regulations related to:

- management bias in respect of accounting estimates and judgements made;
- management override of control;
- posting of unusual journals or transactions;
- significant cash based transactions.

Our procedures included, but were not limited to:

- Enquiry of management and those charged with governance around actual and potential litigation and claims, including instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance where available;
- Reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias. In particular a review of doubtful debts.

It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DERBY QUAD LIMITED (CONTINUED)

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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

PKF Smith Cooper Audit Limited

James Delve (Senior Statutory Auditor)
for and on behalf of
PKF Smith Cooper Audit Limited
Chartered Accountants & Statutory Auditors
St Helen's House
King Street
Cathedral Quarter
Derby
DE1 3EE

7 December 2001

DERBY QUAD LIMITED

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	2	**25,500**	**-**	**25,500**	8,590
Charitable activities	3	**1,823,266**	**235,264**	**2,058,530**	1,722,279
Other trading activities		**154,325**	**-**	**154,325**	1,070,623
Other income (inc. exceptional item of £NIL (2020: £200,000))	6	**276**	**-**	**276**	210,664
Total income		**2,003,367**	**235,264**	**2,238,631**	3,012,156
Expenditure on:					
Raising funds		**321,062**	**-**	**321,062**	895,143
Charitable activities	7	**1,351,829**	**265,285**	**1,617,114**	2,050,223
Total expenditure		**1,672,891**	**265,285**	**1,938,176**	2,945,366
Net income/(expenditure)		**330,476**	**(30,021)**	**300,455**	66,790
Transfers between funds	19	**(29,208)**	**29,208**	**-**	-
Net movement in funds		**301,268**	**(813)**	**300,455**	66,790
Reconciliation of funds:					
Total funds brought forward		**110,579**	**17,901**	**128,480**	61,690
Net movement in funds		**301,268**	**(813)**	**300,455**	66,790
Total funds carried forward		**411,847**	**17,088**	**428,935**	128,480

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

The notes on pages 19 to 44 form part of these financial statements.

DERBY QUAD LIMITED

(A Company Limited by Guarantee)
REGISTERED NUMBER: 05465412

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		2020 £
Fixed assets					
Intangible assets	13		**14,187**		19,259
Tangible assets	14		**108,636**		120,867
			122,823		140,126
Current assets					
Stocks	16	**7,554**		8,239	
Debtors: amounts falling due after more than one year	17	**149,866**		156,982	
Debtors: amounts falling due within one year	17	**241,981**		221,968	
Cash at bank and in hand		**542,547**		156,053	
		941,948		543,242	
Creditors: amounts falling due within one year	18	**(635,836)**		(554,888)	
Net current assets / liabilities			**306,112**		(11,646)
Total net assets			**428,935**		128,480
Charity funds					
Restricted funds	19		**17,088**		17,901
Unrestricted funds	19		**411,847**		110,579
Total funds			**428,935**		128,480

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

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

The financial statements were approved and authorised for issue by the Trustees on 07 December 2021 and signed on their behalf by:

B M Walsh
(Chair of Trustees)

The notes on pages 19 to 44 form part of these financial statements.

DERBY QUAD LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05465412

COMPANY BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		2020 £
Fixed assets					
Intangible assets	13		**14,187**		19,259
Tangible assets	14		**103,009**		116,121
Investments	15		**1**		1
			117,197		135,381
Current assets					
Debtors: amounts falling due after more than one year	17	**149,866**		156,982	
Debtors: amounts falling due within one year	17	**236,704**		194,576	
Cash at bank and in hand		**512,775**		147,650	
		899,345		499,208	
Creditors: amounts falling due within one year	18	**(563,561)**		(509,716)	
Net current assets / liabilities			**335,784**		(10,508)
Total net assets			**452,981**		124,873
Charity funds					
Restricted funds	19		**17,287**		17,901
Unrestricted funds	19		**435,694**		106,972
Total funds			**452,981**		124,873

The Company's net movement in funds for the year was £328,110 (2020 - £67,698).

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

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

The financial statements were approved and authorised for issue by the Trustees on 07 December 2021 and signed on their behalf by:

B M Walsh
(Chair of Trustees)

The notes on pages 19 to 44 form part of these financial statements.

DERBY QUAD LIMITED
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	**395,244**	(96,010)
Cash flows from investing activities		
Proceeds from the sale of tangible fixed assets	**1,042**	-
Purchase of intangible assets	**-**	(5,110)
Purchase of tangible fixed assets	**(9,792)**	(14,736)
Net cash used in investing activities	**(8,750)**	**(19,846)**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**386,494**	**(115,856)**
Cash and cash equivalents at the beginning of the year	**156,053**	271,909
Cash and cash equivalents at the end of the year	**542,547**	156,053

The notes on pages 19 to 44 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

Derby Quad Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.2 Going concern

In preparing the financial statements the Trustees are required to assess the Company's and Group's ability to adopt the going concern basis of accounting. The impact of the Covid-19 pandemic has been considered by the Trustees in forming this assessment.

As explained in the trustees report the Covid-19 pandemic impacted on the activities during the year. The organisation closed to the public on 20 March 2020 for approximately four months, re-opening in July 2020. Following a second wave of the virus the Government introduced a tier system and the organisation closed again in November 2020, re-opening after the period end. During this time the Group generated minimal income from trading activities and therefore overall income levels are significantly reduced. Since May 2021 activity and visitor numbers have grown positively and are in advance of levels forecast at the time of re-opening, albeit down on the pre-Covid levels of 2019.

The Group has carefully managed costs and utilised the Coronavirus Job Retention Scheme to preserve jobs during the time of reduced activity levels. The Group is also grateful for emergency public funding provided to arts and cultural organisations during this time. Due to the support received along with the hard work by all members of the dedicated team the Group has settled all liabilities as they have fallen due and at the date of approval of the financial statements the Group has a cash surplus and no external debt other than working capital liabilities.

The Trustees are satisfied that all appropriate steps have been taken and careful management of the organisation has led to an unrestricted reserves balance of in excess of 3 months cost in line with the reserves policy. However, they recognise that the impact of Covid-19 has created unprecedented levels of uncertainty.

1. Accounting policies (continued)

Going concern (continued)

The Trustees have considered trading forecasts for the period to March 2023, being 15 months from the date of approval of the financial statements. The base case forecasts assume the organisation will continue to remain open during the forecast period and the activity levels will continue to grow steadily such that by March 2022 activity levels are close to those experienced pre the Covid disruption. During the year the management team have implemented significant cost saving measures and are satisfied that the returns now being achieved on the resources expanded are improved compared to previous periods. The forecast shows that the Group is expected to have sufficient funds to discharge liabilities when they fall due throughout the forecast period.

As with most financial models, changes to key assumptions could have a material impact on the timing of the receipts of income, costs incurred and subsequently the going concern of the Group.

There are various downside scenarios to the base forecasts identified by the Trustees including:
- unplanned further Covid-19 disruption resulting in additional lock downs or a slower return of the activity levels than forecast;
- a deep economic recession with substantially reduced levels of disposable income for the medium term impacting the timing and extent of the recovery of the Group's activity; and
- changes in the funding arrangements from stakeholders as a result of pressure on public finances.

The Trustees consider it unlikely, given the experience to date during the disruption arising from Covid-19, but there is a risk that one or more downside sensitivities to the base case forecasts, such as the ones set out above, could require additional funding to be provided by the stakeholders of the Group over and above that which is currently agreed or further fundamental changes to the business model will be required. Should such a scenario arise, the Trustees anticipate that such funding would be available given the experience to date, however, they recognise that this is not guaranteed and therefore have concluded that there are matters that indicate the existence of material uncertainties which may cast significant doubt about the Company's and or Group's ability to continue as a going concern.

Notwithstanding this material uncertainty, having assessed the likely downside scenarios and the options available to the Group the Trustees have formed the judgement that it is appropriate to prepare the financial statements on a going concern basis.

1.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

1. Accounting policies (continued)

1.4 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.5 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Consolidated Statement of Financial Activities.

1.6 Intangible assets and amortisation

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Website	- 5 years

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Leasehold Improvements	- Over the life of the lease
Motor vehicles	- 25% Straight Line
Fixtures and fittings	- 10% - 20% Straight Line
Office equipment	- 20% Straight Line

1. Accounting policies (continued)

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Debtors

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

1.11 Cash at bank and in hand

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

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

1.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1. Accounting policies (continued)

1.14 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2. Income from donations and legacies

	Unrestricted funds 2021 £	**Total funds 2021 £**
Donations	25,500	**25,500**

	Unrestricted funds 2020 £	Total funds 2020 £
Donations	8,590	8,590

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Derby City Council	100,000	-	**100,000**
Derby City Council (rent in kind)	260,000	-	**260,000**
Project grants	60,000	128,880	**188,880**
Arts Council England	466,176	-	**466,176**
Cornavirus Job Retention Scheme	451,053	-	**451,053**
COVID response funding	432,572	-	**432,572**
Other charitable activities (Note 4)	53,465	106,384	**159,849**
Total 2021	1,823,266	235,264	**2,058,530**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Derby City Council	75,000	-	75,000
Derby City Council (rent in kind)	260,000	-	260,000
Project grants	60,700	138,972	199,672
Arts Council England	457,753	-	457,753
COVID response funding	19,595	-	19,595
Other charitable activities (Note 4)	619,440	90,819	710,259
Total 2020	1,492,488	229,791	1,722,279

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

4. Income from other charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Cinema takings	20,078	-	**20,078**
Other fees and commissions	20,578	106,384	**126,962**
Advertising income	508	-	**508**
Sponsorship	700	-	**700**
Membership	10,218	-	**10,218**
Workshop/training	1,383	-	**1,383**
	53,465	106,384	**159,849**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Cinema takings	357,982	-	357,982
Other fees and commissions	191,127	90,819	281,946
Advertising income	27,210	-	27,210
Membership	39,683	-	39,683
Workshop/training	3,438	-	3,438
Total 2020	619,440	90,819	710,259

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

5. Trading activities

The wholly owned subsidiary, Derby Quad Enterprises Limited (company number 06643908), is incorporated in the UK and distributes all of its profits to the Charity under the gift aid scheme. The Company operates the cafe, bar and hire activities at the Quad. The Charity owns 100% of the ordinary share capital of the Company. A summary of trading results pre distribution to the Charity is shown below. The amount of gift aid from the subsidiary was £Nil (2020: £190,401).

	Unrestricted funds 2021 £	Total funds 2021 £
Cafe bar income	44,688	**44,688**
Room hire	2,266	**2,266**
Tech Squad and Games Time	91,682	**91,682**
Sponsorship	13,542	**13,542**
Workshop/training	(600)	**(600)**
Shop income	2,747	**2,747**
	154,325	**154,325**
Marketing costs	(276)	**(276)**
Premises costs	(943)	**(943)**
Other trading costs	(90,750)	**(90,750)**
Professional fees and board expenses	(48)	**(48)**
Wages. national insurance and pension	(226,917)	**(226,917)**
Depreciation	(1,985)	**(1,985)**
Interest payable	(143)	**(143)**
	(321,062)	**(321,062)**
	(166,737)	**(166,737)**

The trading subsidiary also received governement grants totallig £139,082 (2020:£NIL) which is included in Note 3.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted funds 2020 £	Total funds 2020 £
Charity trading income		
Cafe bar income	519,319	519,319
Advertising income	1,882	1,882
Room and cinema hire	48,442	48,442
Tech squad and Games Time	111,516	111,516
Sponsorship	8,077	8,077
Fundraising events	341,247	341,247
Sundry income	5,000	5,000
Workshop/Training	4,917	4,917
Shop income	44,236	44,236
	1,084,636	**1,084,636**
Charity trading expenses		
Marketing costs	(468)	(468)
Premises costs	(6,416)	(6,416)
Other trading costs	(570,916)	(570,916)
Professional fees and board expenses	(3,071)	(3,071)
Wages and salaries, NI and pension	(312,138)	(312,138)
Depreciation	(2,134)	(2,134)
	(895,143)	**(895,143)**
	189,493	189,493

	2021 £	2020 £
The assets and liabilities of the subsidiary were:		
Assets	**84,828**	116,136
Liabilities	**(108,877)**	(112,530)
Total net assets	**(24,049)**	3,606

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

6. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £
Other income	276	**276**

	Unrestricted funds 2020 £	Total funds 2020 £
Other income	210,664	210,664

In April 2019 one of the Charity's principal funders, Derby City Council, agreed to waive the repayment of a long term loan of £200,000 which is included in other income.

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Charitable activities	1,351,829	265,285	**1,617,114**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Charitable activities	1,807,339	242,884	2,050,223

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

8. Charitable activity expenditure

	2021 £	2020 £
Other direct costs	**124,143**	84,698
Arts programme & activity	**262,594**	600,423
Brochures and materials	**720**	725
Support costs (Note 9)	**1,013,907**	1,148,393
Governance costs (Note 9)	**42,246**	47,849
Wages and salaries	**135,241**	146,492
National insurance	**30,844**	16,348
Pension cost	**4,364**	5,295
Interest payable	**3,055**	-
	1,617,114	2,050,223

9. Analysis of governance and support costs

	General support 2021 £	Governance function 2021 £	Total funds 2021 £
Office costs	(698)	(29)	**(727)**
Premises costs and insurance	420,576	17,524	**438,100**
Professional fees and board expenses	12,461	519	**12,980**
Wages and salaries	533,088	22,212	**555,300**
National insurance	7,524	314	**7,838**
Pension	17,977	749	**18,726**
Depreciation and amortisation	22,979	957	**23,936**
Total 2021	1,013,907	42,246	**1,056,153**

	General support 2020 £	Governance function 2020 £	Total funds 2020 £
Office costs	25,678	1,070	26,748
Premises costs and insurance	510,869	21,287	532,156
Professional fees and board expenses	25,111	1,046	26,157
Wages and salaries	517,956	21,581	539,537
National insurance	25,328	1,055	26,383
Pension	18,722	780	19,502
Depreciation and amortisation	24,729	1,030	25,759
Total 2020	1,148,393	47,849	1,196,242

10. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**7,500**	7,500

11. Staff costs

	Group 2021 £	Group 2020 £	**Company 2021 £**	Company 2020 £
Wages and salaries	**907,005**	980,748	**690,541**	686,029
Social security costs	**45,217**	54,655	**38,682**	42,731
Contribution to defined contribution pension schemes	**27,008**	30,292	**23,090**	24,797
	979,230	1,065,695	**752,313**	753,557

In addition to the amounts disclosed above the Company and Group also incurred £80,267 (2020: £104,372) of wages costs that are included in Arts programme and activity costs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

11. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	Group 2021 No.	Group 2020 No.	**Company 2021 No.**	Company 2020 No.
Charitable activities	**76**	74	**53**	50
Management and administration	**7**	7	**7**	7
	83	81	**60**	57

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of Derby Quad Limited comprise of the CEO, Artistic Director, Marketing Manager, Accounts Manager, Technical Services Manager, Format Director, Programme Manager, HR Manager and two Visitor Services Managers. The total amount of employee benefits received by key management personnel is £191,727 (2020: £215,756).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, expenses totalling £NIL were reimbursed or paid directly to Trustee (2020 - £113 to 1 Trustee). The expenditure was reimbursement for travel costs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

13. Intangible assets

Group

	Website £
Cost	
At 1 April 2020	**25,360**
At 31 March 2021	**25,360**
Amortisation	
At 1 April 2020	**6,101**
Charge for the year	**5,072**
At 31 March 2021	**11,173**
Net book value	
At 31 March 2021	**14,187**
At 31 March 2020	19,259

13. **Intangible assets (continued)**

Company

	Website £
Cost	
At 1 April 2020	**25,360**
At 31 March 2021	**25,360**
Amortisation	
At 1 April 2020	**6,101**
Charge for the year	**5,072**
At 31 March 2021	**11,173**
Net book value	
At 31 March 2021	**14,187**
At 31 March 2020	19,259

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

14. Tangible fixed assets

Group

	Long term leasehold property £	Cinema and other equipment £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost						
At 1 April 2020	**266,434**	**391,525**	**20,013**	**195,921**	**366,729**	**1,240,622**
Additions	**-**	**4,121**	**-**	**-**	**5,671**	**9,792**
Disposals	**-**	**(350)**	**(20,013)**	**-**	**-**	**(20,363)**
At 31 March 2021	**266,434**	**395,296**	**-**	**195,921**	**372,400**	**1,230,051**
Depreciation						
At 1 April 2020	**194,979**	**356,009**	**20,013**	**192,986**	**355,768**	**1,119,755**
Charge for the year	**3,107**	**11,424**	**-**	**657**	**6,485**	**21,673**
On disposals	**-**	**-**	**(20,013)**	**-**	**-**	**(20,013)**
At 31 March 2021	**198,086**	**367,433**	**-**	**193,643**	**362,253**	**1,121,415**
Net book value						
At 31 March 2021	**68,348**	**27,863**	**-**	**2,278**	**10,147**	**108,636**
At 31 March 2020	71,455	35,516	-	2,935	10,961	120,867

14. Tangible fixed assets (continued)

Company

	Long term leasehold property £	Cinema and other equipment £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost						
At 1 April 2020	**266,434**	**369,317**	**20,013**	**180,265**	**366,729**	**1,202,758**
Additions	**-**	**1,206**	**-**	**-**	**5,671**	**6,877**
Disposals	**-**	**(350)**	**(20,013)**	**-**	**-**	**(20,363)**
At 31 March 2021	**266,434**	**370,173**	**-**	**180,265**	**372,400**	**1,189,272**
Depreciation						
At 1 April 2020	**194,979**	**338,547**	**20,013**	**177,330**	**355,768**	**1,086,637**
Charge for the year	**3,107**	**9,390**	**-**	**657**	**6,485**	**19,639**
On disposals	**-**	**-**	**(20,013)**	**-**	**-**	**(20,013)**
At 31 March 2021	**198,086**	**347,937**	**-**	**177,987**	**362,253**	**1,086,263**
Net book value						
At 31 March 2021	**68,348**	**22,236**	**-**	**2,278**	**10,147**	**103,009**
At 31 March 2020	71,455	30,770	-	2,935	10,961	116,121

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

15. Fixed asset investments

Company	Investments in subsidiary companies £
Cost	
At 1 April 2020	1
At 31 March 2021	1
Net book value	
At 31 March 2021	1
At 31 March 2020	1

15. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
Derby Quad Enterprises Limited	06643908	Quad Market Place, Cathedral Quarter, Derby, DE1 3AS	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Net assets £
Derby Quad Enterprises Limited	**293,407**	**321,062**	**(24,049)**

16. Stocks

	Group 2021 £	Group 2020 £
Shop and Cafe Stock	**7,554**	8,239

17. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due after more than one year				
Other debtors	**149,866**	156,982	**149,866**	156,982

17. Debtors (continued)

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due within one year				
Trade debtors	**81,473**	36,588	**62,966**	13,569
Amounts owed by group undertakings	**-**	-	**36,602**	-
Other debtors	**70,151**	7,527	**55,551**	7,527
Prepayments and accrued income	**40,270**	61,698	**31,498**	57,327
Grants receivable	**50,087**	116,155	**50,087**	116,155
	241,981	221,968	**236,704**	194,578

18. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	**147,826**	174,675	**140,511**	126,124
Amounts owed to group undertakings	**-**	-	**-**	67,358
Other taxation and social security	**69,343**	39,318	**37,186**	18,253
Other creditors	**12,308**	18,469	**11,198**	17,297
Accruals and deferred income	**406,359**	322,426	**374,666**	280,684
	635,836	554,888	**563,561**	509,716

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Deferred income at 1 April 2020	**109,434**	163,055	**109,434**	93,366
Resources deferred during the year	**207,946**	109,434	**207,946**	109,434
Amounts released from previous periods	**(131,795)**	(163,055)	**(131,795)**	(93,366)
	185,585	109,434	**185,585**	109,434

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Reserves	**110,579**	**2,003,367**	**(1,672,891)**	**(29,208)**	**411,847**
Restricted funds					
Other projects and grants	**-**	**148,828**	**(148,828)**	**-**	**-**
FORMAT Festival	**-**	**86,436**	**(115,644)**	**29,208**	**-**
Capital grants	**17,901**	**-**	**(813)**	**-**	**17,088**
	17,901	**235,264**	**(265,285)**	**29,208**	**17,088**
Total of funds	**128,480**	**2,238,631**	**(1,938,176)**	**-**	**428,935**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Unrestricted funds					
Reserves	38,803	2,782,365	(2,702,482)	(8,107)	110,579
Restricted funds					
Other projects and grants	-	214,102	(180,459)	(33,643)	-
FORMAT Festival	-	15,689	(57,439)	41,750	-
Capital grants	22,887	-	(4,986)	-	17,901
	22,887	229,791	(242,884)	8,107	17,901
Total of funds	61,690	3,012,156	(2,945,366)	-	128,480

The specific purpose for which the funds are to be applied are as follows:

Unrestricted funds represent those resources which may be used towards meeting any of the charitable objectives at the discretion of the Trustees.

Restricted funds comprise of grants for specific projects or capital purchases and will only be used for the purpose that the grants were intended.

The transfer out of other projects and grants is for the allowable project expenditure that is included in unrestricted expenditure such as wages and other overheads.

The transfer in to the FORMAT fund is the Charity's contribution to the festival from unrestricted reserves.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	91,548	17,088	**108,636**
Intangible fixed assets	14,187	-	**14,187**
Debtors due after more than one year	149,866	-	**149,866**
Current assets	792,082	-	**792,082**
Creditors due within one year	(635,836)	-	**(635,836)**
Total	411,847	17,088	**428,935**

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	102,966	17,901	120,867
Intangible fixed assets	19,259	-	19,259
Debtors due after more than one year	156,982	-	156,982
Current assets	386,260	-	386,260
Creditors due within one year	(554,888)	-	(554,888)
Total	110,579	17,901	128,480

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

21. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	Group 2020 £
Net income for the year (as per Statement of Financial Activities)	**300,455**	66,790
Adjustments for:		
Depreciation charges	**21,673**	23,048
Amortisation charges	**5,072**	4,840
Loss/(profit) on the sale of fixed assets	**(692)**	-
Decrease in stocks	**685**	2,508
Decrease/(increase) in debtors	**(12,897)**	99,518
Increase/(decrease) in creditors	**80,948**	(292,714)
Net cash provided by/(used in) operating activities	**395,244**	(96,010)

22. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand	**542,547**	156,053

23. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	**156,053**	**386,494**	**542,547**

24. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £27,008 (2020: £30,292). Contributions totalling £6,553 (2020: £15,680) were payable to the fund at the balance sheet date and are included in creditors.

25. Operating lease commitments

At 31 March 2021 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	**Company 2021 £**	Company 2020 £
Not later than 1 year	**8,031**	19,501	**8,031**	19,501
Later than 1 year and not later than 5 years	**11,652**	19,682	**11,652**	19,682
	19,683	39,183	**19,683**	39,183

26. Related party transactions

Information about related party transactions and outstanding balances is outlined below:

	Income £	**Expenditure £**	**Debtors £**	**Creditors £**
Geldards LLP (a partnership with a director in common)				
-At 31 March 2020 (2021: None)	**400**	**1,200**	**-**	**1,200**
University of Derby Theatre Limited (a company with a director in common)				
-At 31 March 2021	**5,000**	**-**	**-**	**-**
Derby Museums (a company with a director in common)				
-At 31 March 2021 (2020: None)	**4,000**	**-**	**-**	**-**
C Sexton (director)				
-At 31 March 2020 (2021: None)	**-**	**113**	**-**	**-**
Marketing Derby Limited (a company with a director in common)				
-At 31 March 2020 (2021: None)	**-**	**600**	**-**	**360**
B Walsh (Director)				
-At 31 March 2021	**-**	**-**	**400**	**-**
-At 31 March 2020	**400**	**-**	**400**	**-**
A Buss (Director)				
-At 31 March 2020	**-**	**7**	**-**	**-**
K Frain (Key Management)				
-At 31 March 2020 (2021: None)	**-**	**841**	**-**	**7**
L Clements (Key Management)				
-At 31 March 2020 (2021: None)	**-**	**4,041**	**-**	**1,275**
H Herve-Petts (Key Management)				
-As 31 March 2021 (2020: None)	**-**	**-**	**-**	**23**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

27. Company limited by guarantee

Derby Quad Limited is a company limited by guarantee and accordingly does not have share capital.

Every member of the Company undertakes to contribute such an amount as may be required not exceeding £10 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.