

KIRKGATE ARTS

(A CHARITABLE COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2023

Company registration number: 06632306

Charity registration number: 1126602

The logo consists of a dark blue rounded square. Inside the square, the text "Lamont Pridmore" is written in white, with "Lamont" on the top line and "Pridmore" on the bottom line.

Lamont
Pridmore

KIRKGATE ARTS

LEGAL AND ADMINISTRATIVE INFORMATION

for the Year ended 31st March 2023

Chair	Mrs Susan Moses (resigned as Chair 28.06.2023) Mr Robert Higgins (appointed as Chair 28.06.2023)
Trustees	Ms Judith Bennington Mr Robert Pritchard Mr Andrew Semple Mr Duncan Nicholson (resigned 22.11.2022) Mrs Susan Moses Ms Helen Hardy Mr David Thomas Mr Robert Higgins (appointed 22.11.2022)
Company Secretary	Mr Robert Higgins (Chair from 28.06.2023)
Principal Office	The Kirkgate Centre Kirkgate Cockermouth Cumbria CA13 9PJ
Company Registration Number	06632306
Charity Registration Number	1126602
Bankers	Cumberland Building Society Cumberland House Castle Street Carlisle Cumbria CA3 8RX

KIRKGATE ARTS

TRUSTEES' ANNUAL REPORT
For the Year ended 31st March 2023

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31st March 2023.

Trustees

Ms Judith Bennington
 Mr Robert Pritchard
 Mr Andrew Semple
 Mr Duncan Nicholson (resigned 22.11.22)
 Mrs Susan Moses
 Ms Helen Hardy
 Mr David Thomas
 Mr Robert Higgins (appointed 22.11.22)

Summary

Kirkgate Arts Limited's ambition is to serve our local communities better, increasing the range of the charity's beneficiaries. In 2022 we adopted a new five year strategic plan and changed our name to Kirkgate Arts and Heritage because we had resolved to increase the level of heritage and community activities we undertake alongside our arts offer.

Our **Mission** is to ensure that creative talent is valued, developed and supported with opportunities for all to actively engage with and enjoy the arts, our local heritage and community life.

Our Values are

Commitment – our staff and volunteers are dedicated to delivering our mission.

Accessibility – we aim to make arts, heritage and culture accessible and inclusive to all the communities of West Cumbria

Sustainability – we aim to ensure that the organisation is secure for future generations from both financial and environmental perspective.

Nurturing – we aim to provide an environment that encourages growth, development of skills and confidence and enjoyment for all.

We operate in West Cumbria, a mostly rural area of small towns and scattered villages on the coast and in the hinterland between the Irish Sea/Solway Firth and the western boundary of the Lake District National Park. Arts and cultural infrastructure are weak in West Cumbria compared to other parts of the UK, despite a rich heritage. Within our outwardly appearing comfortable county, many people are in poverty and face disadvantages. Our population is ageing. Social isolation and problems with youth mental health are significant. Social mobility in the part of Cumberland Council area where we are based, the former Allerdale, is amongst the lowest in England. The sub-region that we serve covers an area of approximately 100 miles from north to south and public transport links throughout the area are poor. Yet Cumbria is characterised by strongly mutually supportive communities in its towns, villages, valleys and coastal settlements.

We own and run the Kirkgate Centre, a multi-purpose cultural hub housing a theatre and community centre in Cockermouth, originally built as a school in the 1880s. We also own an adjacent building and land, the disused Derwent Athletics Club, which has increased the value of our fixed assets and our capacity to achieve our strategic goals.

We also run an Arts Council England National Portfolio Organisation, Kirkgate Out West, through which we organise tours of professional performers around West Cumbria's village halls, libraries, and community centres. We work with local volunteer promoters to put on shows, exhibitions and workshops which are social as much as cultural.

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Whilst we completed the second full year of our strategic plan 2020-2025 with a high level of achievement against objectives, we have taken the opportunity to update our Strategic Plan to cover the years 2022-7.

We have further developed our plans for the creation of a Heritage Centre on the site of the old Derwent Athletics Club. This is covered in more detail later in this report.

Our main strategic aims are firstly to continue the improvements of the Kirkgate Centre in order to impact positively on our operations, earned income, user experience and the reduction of carbon emissions; and secondly, to create facilities for, and improve access to, our local history collection. These aims sit within the context of the development of a 'Kirkgate Quarter' for Cockermouth town center, and of Kirkgate Out West, consolidating and extending Kirkgate's cultural reach and social impact throughout West Cumbria.

Upon the retirement of Marion Bowman as our Chair Sue Moses kindly stepped into that role.

During the year we completed our two major lottery funded projects, and we thank Arts Council of England (ACE) and National Lottery Heritage Fund (NLHF) for their substantial financial support.

During the year we received a substantial (£100k) grant from Allerdale Borough Council (ABC) for which we are grateful. This grant has enabled us to undertake a number of essential building projects at the Kirkgate Centre. We were able to replace the old gas boilers with new more energy efficient boilers; we created a commercial standard kitchen as part of the Egremont Room which will enable us to develop new revenue streams; bring the fire escapes up to the appropriate standard; we will replace the windows alongside the auditorium on the first floor and complete several smaller schemes.

We also thank all our funders, donors and supporters for their financial support during the year.

The Trustees are extremely grateful to all the staff and volunteers for their continued hard work in support of Kirkgate.

The Trustees were delighted that our volunteers (80 plus) were nominated for the prestigious King's Award for Voluntary Service (KAVS) this is a due reward for all of the effort that they put in to making Kirkgate the place that it is. We were even more delighted to learn that after a rigorous vetting process we have been put forward by the Lord Lieutenant of Cumbria to the National shortlist. We expect to hear the outcome in November, 2023.

Our income in the year ending 31st March 2023 totalled £290,578 with expenditure of £324,806 incurred during the period. The result for the year was a deficit of £34,228.

Introduction

The Trustees of Kirkgate Arts present their report and the financial statements for the year ended 31st March 2023. In preparing the annual report and financial statements of the charity, the Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005, and the requirements for a Trustees' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Reference and administrative information about Kirkgate Arts is set out in the preface to this report.

The Trustees have complied with the duty in Section 7 of the Charities Act 2011, giving due regard to public benefit guidance published by the Charity Commission.

Established in 1995, Kirkgate Arts and Heritage is a not-for-profit company limited by guarantee (Company No. 6632306) and a registered charity (Charity No. 1126602), trading as Kirkgate Arts and Heritage.

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**TRUSTEES' ANNUAL REPORT
For the Year ended 31st March 2023**

Overview

As noted earlier in this report The Board has updated its Strategic Objectives to cover the period 2022-2027. A copy of the document is available on request from the Company Secretary.

We operate through:

- **The Kirkgate Centre** – Cockermouth's multi-purpose arts, community and heritage centre
- **Kirkgate Out West** - a rural touring arts project hosted by over 25 village halls and community venues throughout West Cumbria

We run special projects as funding permits and also operate **Cockermouth Heritage Group** and **Kirkgate Youth Theatre** as long-running ongoing strands of work.

Heritage Group

The Heritage group have continued to meet monthly. A large part of their work is completing family history research on behalf of others and answering local history queries, They have a dedicated facebook page and contribute a monthly article on a variety of aspects of Cockermouth's history to the Kirkgate Quarter Chronicle (our news letter). As part of the town's celebration of the Queen's Platinum jubilee in June 2022 the Heritage Group mounted an exhibition which looked at the different ways that the town has chosen to mark important events in the past. As the town's Jubile concert was also held in the centre this made for one particularly busy night enjoyed by many. A second exhibition was mounted in October 2022 which looked at the changing use of the Strawberry How site just up the road from the centre. The exhibition followed the development from industrial school to housing development. Towards the end of the Arts Council funded project the Heritage group provided a range of photos taken by the well known local Victorian photographer Fred Nainby, which formed the basis for a two day digital photography workshop. The Heritage group played a large rôle in the planning of our next large project *In My Shoes* which focusses on inclusivity and diversity of local people's cultural heritage and has now been funded by the Heritage Lottery Fund to run for the next 18 months. The Heritage Group continue to present a monthly illustrated heritage lecture. At times these have been so popular that additional dates have been added.

Youth Theatre

The Youth Theatre had such positive experiences looking at the life and work of Dorothy Wordsworth it was decided to extend this work to look at the narrative poems of Wordsworth. This included a performance at Cockermouth live festival looking at Wordsworth's poems that highlighted themes that are still extremely relevant today.

The later part of the year the two groups worked on folk tales from near and far in preparation for a performance entitled *A Winter Gathering* in December 2022.

The Youth Theatre leader contributed a lot to the development of the *In My Shoes* project.

Community engagement

Many commercial and community clients hire the Egremont Room and theatre to provide activities. These include Pilates, U3A, Karate, Historic Fencers, The Richmond Fellowship, Cumbria Carers, Sound Wave (Regular users) National Trust and United Utilities, The Highways Agency and Thomas Armstrong (more occasional users) Some users did not return when we reopened fully, although we were pleased to welcome back others and add new hires to our menu of opportunities for members of the public to get involved with.

We are home to Cockermouth Round Table's highly popular annual Beer Festival. We are partners in Cockermouth Live!, the town's quirky annual summer weekend of live music and other performances, hosting the headline Friday and Saturday night events. Both festivals took place in 2022.

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The refurbishment of our Egremont Room community hall during the year, including replacement of all the windows, enabled us to market the space more widely, attracting new hirers and users. We also installed a mobile, temporary bar facility in the room made necessary by the regulations on social distancing and one-way circulation for Covid-19 infection control. The upgrades greatly improved the attractiveness, experience and comfort of the space for the wide range of people using it. We have been able to build on the work done in the Egremont Room last year with the addition of a catering standard kitchen. This has further improved the attractiveness, experience and comfort of the space for the wide range of people using it

Programming and projects

Dorothy Wordsworth project

This project, which was detailed in last year's Trustees report was funded by NLHF and was successfully completed on 30 September 2022.

Developing Audiences project

This project which was also detailed in last year's Trustees report was largely funded by ACE and was successfully completed on 31 March 2023

Regular arts and entertainment programmes and special events

Our arts and entertainment programme continues to develop. **Cinema** is held 3 days a week whilst we have live steaming from the National Theatre once a month. Our programme of **music gigs** has been substantially developed. The popular monthly jazz concerts continue, and we also provide a wide programme of music across all genres. These gigs take place both in the auditorium and in the Egremont Room. As well as professional musicians we are pleased to support local artistes as they develop their careers. Our **open mic and Poetry Out Loud** evenings continue to be well supported.

We are collaborating both with Theatre by the Lake, Keswick, and the local professional theatre company, Ragged Edge productions in bringing professional Theatre to Kirkgate and Kirkgate Out West.

A feature of this year has been the establishment of **Comedy** nights which have been very successful and clearly meet a need within our population.

Finally, we must mention a range of **special events** we organise. These include Cockfrock, quizzes and the Christmas market.

Kirkgate Quarter and Kirkgate Out West

The Kirkgate Quarter

A Board Away Day was held in October 2022 to review the 2020-2025 strategic plan. Out of which was developed the updated strategy to take us through the period 2022-2027. The Board refined the key workstrands.

The Kirkgate Quarter concept aims to promote the historic area of Kirkgate, Market Place and Castlegate as the cultural centre of Cockermouth encompassing the Kirkgate Centre, a redeveloped Derwent Athletics Club site, the Georgian Town Hall and All Saints Church as the main publicly accessible buildings. The other notable buildings are the Castle and the Brewery. The Cockermouth Town Centre Task Force has included the concept of the Kirkgate Quarter in its initial report.

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TRUSTEES' ANNUAL REPORT
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Organisational Efficiency

We continue to publish an electronic monthly newsletter, the Kirkgate Quarter Chronicle, which is circulated to our 3500+ mailing list. We continued with a major push to update our administrative records and records management. We also prepared a new approach to book-keeping, financial recording and reporting and the development of financial management and reporting continues.

Kirkgate Out West continues to be very successful with 47 performances having taken place in 23 villages throughout West Cumbria.

Financial performance

During this period we received grants totalling £166,478 (for which the Trustees are extremely grateful). Our commercial income, through room hires and other trading, totalled £107,767. Donations from supporters totalled £8,317.

We ended the year with a net deficit of £34,228.

Charity structure, governance, and management

Board of Trustees

Kirkgate Arts and Heritage is managed by a Board of Trustees. The Trustees are also Directors of the company, Kirkgate Arts Limited. During the year the Board met every other month to maintain ongoing work guiding the strategic direction of the business. All decisions regarding corporate governance are made by, and are the responsibility of, the Board of Trustees. A minimum of three and a maximum of ten Trustees are provided for in the incorporation and charity documents. The Board actively encourages supporters to become members of the limited company and attend the AGM to strengthen the organisation and the accountability of the Board.

Trustees are appointed from the local community following a successful interview (and receipt of favourable references if the individuals are unknown to Kirkgate Arts and Heritage). The expectations of the Trustees are clearly documented and, like the staff and volunteers of Kirkgate Arts and Heritage, Trustees follow a clear set of procedures and policies, which are regularly reviewed. Trustees do not receive any benefits.

Employees and volunteers

The work of the charity is delivered by a small number of staff working alongside a significant number of volunteers. We currently have five staff: full-time General Manager and Operations Manager, with part-time Finance and Administration Officer, Community Projects Officer, and Caretaking Assistant.

A team of volunteers operate much of the business, providing box office and front of house staffing, film projection, bar management, oversight of safety and maintenance, programming, office administration, publicity and fundraising. An audit in 2019 showed that volunteers contributed nearly 8,000 hours a year at the Kirkgate Centre, with further substantial input from the volunteer village hall promoters of the Kirkgate Out West programme and the volunteers at community venues participating in other Kirkgate-run projects.

Structure of sub-committees and working groups

The key Board sub-committees are the Finance Group, People Group, and Kirkgate Out West National Portfolio Organisation Collaborative Group (with Highlights). We also have a number of other Groups which are volunteer led and report to the General Manager. These groups include the Operations Group, Film Programming Group, Music Programming Group, Publicity Group and the Safety and Maintenance Group. Others are formed as and when necessary and are time limited. These include Fundraising, Heritage, Capital Developments, Social Impact, and Communications and Marketing.

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Main Partner organisations

Kirkgate Arts and Heritage delivers its wide range of activities across Cockermouth and West Cumbria through a network of partnerships and memberships:

Highlights: we work with this rural touring scheme for North/East Cumbria, Northumberland and County Durham with whom Kirkgate Out West forms an Arts Council National Portfolio Organisation consortium.

Village Halls and Community Centres: we deliver Kirkgate Out West in partnership with over 25 village halls and community centres throughout West Cumbria.

National Rural Touring Forum: we are members of this forum representing rural touring schemes, venues, promoters and performers.

Cockermouth Festivals Group: we collaborate with and provide facilities for the team producing the annual Cockermouth Live! music and spoken word weekend.

Helping Hands is a Cumbria wide project that brings together 45 partners from the Arts and Culture sector that aims to increase and diversify the volunteering opportunities available.

Cumbria Family Arts Network: we are a lead organisation in this informal consortium of venues and other bodies in the west of the county working together to promote and develop performances and activities that can be enjoyed across the generations.

Cumbria Arts and Culture Network: we participate in this network involving many of the county's arts and culture organisations, practitioners, educators and other stakeholders in the arts, culture and creative industries sector.

Big Imaginations: this ACE-funded regional initiative supports, promotes and develops theatre for young people through a network of presenting organisations, which we joined in April 2018.

Frame: West Cumbria Cultural Education Partnership: we network with this group of schools, local authorities, voluntary and community organisations, further and higher education, and music education hubs and funders to improve the alignment of cultural education for young people.

Cockermouth Chamber of Trade: We are an active member of the Chamber of Trade.

We have other mutually supportive relationships with Cockermouth Women's Institute, Cockermouth Civic Trust, Cockermouth Rotary, Cockermouth Round Table, National Trust Wordsworth House and Garden, Rydal Mount (Grasmere), Wordsworth Grasmere, Cockermouth Town Council, Cockermouth and district schools, Eden Poets and local businesses including Fermento Italian Pizzeria and Magic Mountain Pizza.

Financial management

Investment powers

Under the memorandum and articles of association, the charity has the power to make any investment that the Trustees see fit. All available funds are kept in interest bearing deposit accounts, and deposit rates are monitored to maximise the income earned in this way.

TRUSTEES' ANNUAL REPORT
For the Year ended 31st March 2023

Maintenance of reserves

The Trustees have discretionary powers regarding the retention of reserves. The charity's reserves policy was reviewed in March 2022. The policy deals with the cash element of Kirkgate Arts and Heritage's unrestricted funds.

Having assessed the key financial risks, the reserves policy is to hold the funding required for six months' operation, this being the largest of the items identified in the risk assessment. The policy states that while this desired reserve level is identified within the policy, it must be recognised that the organisation has sometimes operated with reserves of less than this in recent years. The Trustees anticipate that trend may continue as the new business model evolves.

The policy states: 'In the event that the charity is operating below its desired level of reserves, the Trustees will endeavour to avoid having reserves fall as low as two months of operation. Should reserves fall below this level the Trustees will meet to discuss and implement recovery plans to avoid cash flow challenges and the risk of closure.' The policy is subject to annual review.

Policies

The Trustees continually review policies, and adopt new ones as necessary, at appropriate intervals. During this period we created a new document: the Financial Codes of Procedure (FCoPs), incorporating and updating existing relevant financial policies and procedures as well as some completely new financial procedures. We also updated our Privacy Policy and Cookie Policy for our new website.

Risk management

The charity faces certain operational and business risks which the Trustees manage through regular reviews and mitigation of key risks. Trustees give priority to managing key risks at all board meetings and engage regularly with health and safety issues.

Our plans for the future

At the time of writing, June 2023, our key focus for the new financial year is our financial performance. We have adopted an ambitious but realistic revenue budget and are prioritising increasing income (including through essential capital investment), project funding and financial governance. We are determined to stay relevant and to make a strong offer to our audiences and potential users. We have some market research and project proposals underway to help us develop our offer appropriately.

We are closely engaged with our local authority, Allerdale Borough Council, and, from 1 April 2023, Cumberland Council. The Local Government Reorganisation in Cumbria presents both opportunities and challenges and we will ensure that we work closely with the key staff in Cumberland. We collaborated with ABC on the production of a Strategic Outline Business Case out of which we received the £100k grant and from which we have a basis to seek grants from other organisations. We believe that we play a unique role in contributing to social and economic success in our communities along with wellbeing in individuals of all ages, providing social solidarity and positive experiences that develop confidence and creativity.

Under our 2022-27 Strategy, we are making significant progress on modernising and streamlining our management, administrative and operational systems and structures. We have a clear Action Plan for 2023-2024.

Buttress, a firm of architects experienced in delivering grant-funded public developments in the North-West has been appointed on a no-funding, no-fee basis to assist us in re-developing the Athletics Club site into the Kirkgate Heritage Extension. The initial plan is for the Extension to both house and display our Heritage Collection and to provide a safe Heritage archive for the community, with the ability to receive local collections that need to be preserved and displayed. This plan will be developed during the Feasibility Study Phase of the project so that we can deliver enduring community benefit from the project. A grant application has been submitted to the National Heritage Lottery Fund for funding for the development and design phase of the project.

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For the Year ended 31st March 2023

In a significant development to progress our strategic plan, our local history collection has been moved from a storeroom to enable installation of a catering-standard kitchen off the Egremont Room community hall. With successful fundraising for the necessary capital investment, this will enable more income-generating activities and a new facility for use by a wide variety of groups, individuals and businesses in the community. Most of the local history collection is now accommodated on the mezzanine floor. This is a temporary solution as it is unsuitable to operate from on a regular basis. One key objective for the coming year is to produce a development plan for the heritage collection itself in tandem with the wider feasibility study of schemes for the Kirkgate Centre and a new building on the Derwent Athletics Club site.

We were delighted that ACE renewed our status as an NPO from 1 April 2023 for a further 3 years. This gives us financial certainty in planning for Kirkgate Out West.

All of our activities and ambitions are designed to celebrate our community's cultural lives and heritage, to add value, and to have as positive an impact as possible on the people we serve.

Trustees' responsibilities in relation to the financial statements

The Board of Trustees is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these financial statements, the trustees are required to:

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

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

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees consider that the charity is adequately funded to meet its current obligations.

The annual report was approved by the trustees of the charitable company on 16.10.23 and signed on its behalf by:



Robert Higgins
Chair

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**INDEPENDENT EXAMINER'S REPORT TO THE
TRUSTEES OF KIRKGATE ARTS
For the Year ended 31st March 2023**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st March 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

Dated:

16th October 2023

*Susannah Nixon
Lamont Pridmore*

Susannah Nixon
Lamont Pridmore (West Cumbria) Ltd
Milburn House
3 Oxford Street
Workington
Cumbria CA14 2AL

KIRKGATE ARTS

STATEMENT OF FINANCIAL ACTIVITIES

For the Year ended 31st March 2023

(Including Income and Expenditure Account and Statement of Recognised Gains and Losses)

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds Year to 31.03.23 £	Total Funds Year to 31.03.22 £
INCOMING RESOURCES						
Grants and donations	3	174,795	-	-	174,795	154,073
Charitable activities	4	107,767	-	-	107,767	68,735
Investment income	5	1,890	-	-	1,890	510
Other income	6	6,126	-	-	6,126	16,776
TOTAL INCOMING RESOURCES		290,578	-	-	290,578	240,094
RESOURCES EXPENDED						
Expenditure on charitable activities	7	299,866	4,343	20,597	324,806	223,328
TOTAL RESOURCES EXPENDED		299,866	4,343	20,597	324,806	223,328
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR		(9,288)	(4,343)	(20,597)	(34,228)	16,766
Transfers between funds		11,657	-	(11,657)	-	-
Balances brought forward		121,155	188,118	34,266	343,539	326,773
Balances carried forward		123,524	183,775	2,012	309,311	343,539

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

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BALANCE SHEET

at 31st March 2023

	Note	31.03.23		31.03.22	
		£	£	£	£
Fixed assets					
Tangible assets	10		206,528		222,549
Current assets					
Stocks		1,455		675	
Debtors	11	11,962		12,338	
Cash at bank and in hand		166,156		171,019	
		<u>179,573</u>		<u>184,032</u>	
Creditors: amounts falling due within one year	12	<u>(76,790)</u>		<u>(63,042)</u>	
Net current assets			102,783		120,990
			<u>309,311</u>		<u>343,539</u>
Accumulated funds					
Restricted funds	16		2,012		34,266
Designated funds	16		183,775		188,118
Unrestricted funds	16		123,524		121,155
Total funds			<u>309,311</u>		<u>343,539</u>

For the year ending 31st March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

These financial statements were approved by the trustees on 16.10.23 and signed on their behalf by:



Robert Higgins
Chair

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STATEMENT OF CASH FLOWS

For the Year ended 31st March 2023

Note	31.03.23 £	£	31.03.22 £	£
Cash flows from operating activities				
Movement in funds for the year		(34,228)		16,767
Adjustments to cash flows from non-cash items				
Depreciation		16,021		16,606
Investment income		(1,890)		(510)
		<u>14,131</u>		<u>16,096</u>
Working capital adjustments				
(Increase)/decrease in stocks		(780)		120
Decrease/(increase) in debtors		376		(8,036)
Increase in creditors		13,748		31,295
		<u>13,344</u>		<u>23,379</u>
Net cash flows from operating activities				
		<u>13,344</u>		<u>23,379</u>
Cash flows from investing activities				
Interest income		1,890		510
Purchase of tangible fixed assets		-		(23,570)
		<u>1,890</u>		<u>(23,060)</u>
Cash (used in)/ provided by investing activities				
		<u>1,890</u>		<u>(23,060)</u>
(Decrease)/increase in cash and cash equivalents in the year		(4,863)		33,182
		<u> </u>		<u> </u>
Cash and cash equivalents at the beginning of the year		171,019		137,837
		<u> </u>		<u> </u>
Total cash and cash equivalents at the end of the year		<u>166,156</u>		<u>171,019</u>

All of the cash flows are derived from continuing operations during the above two years.

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2023

1 General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Kirkgate Centre, Kirkgate, Cockermouth, Cumbria, CA13 9PJ.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of accounting

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

Kirkgate Arts 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 note.

Going concern

The current economic conditions as a result of the Covid-19 pandemic continue to create uncertainty over the level of demand for the charity's activities. The charity's forecasts and projections, taking account of reasonably possible changes in performance, show that the charity should be able to operate within its current level of reserves. With the benefit of the government support packages available to help charities through the pandemic, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The financial statements have been prepared on the going concern basis.

Incoming resources

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Investment income is recognised on a receivable basis.

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2023

2 Accounting policies (continued)

Resources expended

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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.

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class

IT and office electronic equipment
Fixtures and fittings
Light and sound equipment

Depreciation method and rate

Written off over 3 years straight line
Written off over 5 years straight line
Written off over 7 years straight line

Stocks

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

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KIRKGATE ARTS

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2023

2 Accounting policies (continued)

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the Charity.

Designated funds are unrestricted funds are resources set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

3 Voluntary income: Grants and donations

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<i>Donations and legacies</i>				
Donations from individuals	8,317	-	8,317	13,185
<i>Grants, including capital grants</i>				
Grants from other charities	166,478	-	166,478	123,432
HMRC CJRS Furlough Scheme	-	-	-	9,456
Other Covid-19 grants	-	-	-	8,000
	<u>174,795</u>	<u>-</u>	<u>174,795</u>	<u>154,073</u>

4 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Membership fees – Arts Out West	1,223	-	1,223	718
Ticket sales and admissions	70,118	-	70,118	41,013
Venue hire fees	15,593	-	15,593	12,467
Bar and ice cream sales	20,833	-	20,833	14,537
	<u>107,767</u>	<u>-</u>	<u>107,767</u>	<u>68,735</u>

5 Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Interest receivable on bank deposits	<u>1,890</u>	<u>-</u>	<u>1,890</u>	<u>510</u>

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KIRKGATE ARTS

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2023

6 Other income

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Fundraising income	-	-	-	-
Insurance claims received	-	-	-	3,694
Other income	6,126	-	6,126	13,082
	<u>6,126</u>	<u>-</u>	<u>6,126</u>	<u>16,776</u>

7 Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Cost of bar sales	9,109	-	9,109	6,363
Performance fees and licences	75,054	9,479	84,533	45,244
Activities and workshops	-	-	-	27
Heritage Group	-	1,110	1,110	588
Wages and salaries	84,291	-	84,291	82,145
Employer national insurance	1,451	-	1,451	5,588
Pension contributions	1,677	-	1,677	1,238
Contract labour	-	-	-	7,244
Training	522	-	522	937
Travelling	259	-	259	555
Light, heat & water	8,898	-	8,898	5,356
Insurance	7,445	-	7,445	6,551
Building and equipment maintenance	78,166	-	78,166	13,512
Administration expenses	1,320	-	1,320	3,139
Equipment rental	2,066	-	2,066	2,381
Telephone and fax	1,929	-	1,929	1,668
Printing, postage and stationery	-	-	-	-
Advertising and marketing	7,070	-	7,070	4,258
Accountancy fees	5,460	-	5,460	4,038
Computer costs	4,349	-	4,349	9,620
Professional fees	556	-	556	1,708
Fundraising expenses	5,777	-	5,777	2,876
Bank charges	2,797	-	2,797	1,687
Depreciation – fixtures and fittings	-	2,613	2,613	3,329
Depreciation – IT and office electronic equipment	-	238	238	238
Depreciation – light and sound equipment	1,670	7,157	8,827	9,158
	<u>299,866</u>	<u>20,597</u>	<u>320,463</u>	<u>219,448</u>

	Designated Funds £	Total 2023 £	Total 2022 £
Depreciation – property	4,343	4,343	3,879
	<u>4,343</u>	<u>4,343</u>	<u>3,879</u>

KIRKGATE ARTS

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2023**8 Net outgoing resources for the period**

	2023	2022
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	16,021	16,606
	<u>16,021</u>	<u>16,606</u>

9 Staff costs and trustees' remuneration

	2023	2022
	£	£
Staff costs include the following:		
Wages and salaries	84,291	82,145
Social security costs	1,451	5,588
Pension costs	1,677	1,238
	<u>87,419</u>	<u>88,971</u>

Included within wages and salaries is an amount of Nil (2022 £4,826) in respect of redundancy costs incurred in the year.

The average number of persons (including senior management team) employed part time and full time during the year was:

	2023	2022
	Number	Number
Total number of staff	<u>5</u>	<u>5</u>

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

None of the trustees received any reimbursed expenses or any other benefits from the charity during the year.

No employee received emoluments of more than £60,000 during the year.

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KIRKGATE ARTS

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2023

10 Tangible fixed assets

	Land and Buildings £	Light and Sound Equipment £	IT and Office Electronic Equipment £	Fixtures and Fittings £	Total £
Cost or valuation					
At 1 st April 2022	217,128	88,014	19,855	27,307	352,304
Additions	-	-	-	-	-
At 31 st March 2023	<u>217,128</u>	<u>88,014</u>	<u>19,855</u>	<u>27,307</u>	<u>352,304</u>
Depreciation					
At 1 st April 2022	13,775	72,025	19,617	24,338	129,755
Charge for the year	4,343	8,826	238	2,613	16,021
At 31 st March 2023	<u>18,118</u>	<u>80,851</u>	<u>19,855</u>	<u>26,951</u>	<u>145,776</u>
Net book value					
At 31 st March 2023	<u>199,010</u>	<u>7,163</u>	<u>-</u>	<u>356</u>	<u>206,528</u>
At 31 st March 2022	<u>203,353</u>	<u>15,989</u>	<u>238</u>	<u>2,969</u>	<u>222,549</u>

The freehold and property was devalued according to a valuation of £190,000 provided in May 2019 by Walton Goodland Chartered Surveyors, 10 Lowther Street, Carlisle, Cumbria, CA3 8DA: this value has been adopted as deemed cost of the assets concerned under FRS 102. Under FRS 102 the company will perform revaluations with sufficient regularity such that the carrying amount does not differ materially from the fair value at the balance sheet date.

11 Debtors

	2023 £	2022 £
Amounts falling due within one year		
Trade debtors	6,994	5,373
Prepayments	4,968	6,687
Other debtors	-	278
	<u>11,962</u>	<u>12,338</u>

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KIRKGATE ARTS

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2023

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	3,719	2,138
Taxation and social security	1,371	1,684
Grants received in advance	61,173	29,498
Other creditors	5,231	3,090
Accruals	5,296	26,632
	<u>76,790</u>	<u>63,042</u>

13 Operating leases

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

	2023 £	2022 £
Not later than 1 year	-	2,484
Later than 1 year and not later than 5 years	-	-
	<u>-</u>	<u>2,484</u>

14 Company status

The charity is a company limited by guarantee and consequently has no share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

15 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £1,677 (2022 £1,238).

Contributions totalling £Nil (2022: £Nil) were payable to the scheme at the year end and are included in creditors.

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KIRKGATE ARTS

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2023

16 Statement of funds

The movement in the year is as follows:

	At 01.04.22	Income	Expenditure	Transfers	At 31.03.23
	£	£	£	£	£
<i>Unrestricted general funds</i>					
General unrestricted fund	121,155	290,578	(299,866)	11,657	123,524
Total unrestricted funds	<u>121,155</u>	<u>290,578</u>	<u>(299,866)</u>	<u>11,657</u>	<u>123,524</u>
<i>Designated funds</i>					
Property fixed asset reserve	188,118	-	(4,343)	-	183,775
Total designated funds	<u>188,118</u>	<u>-</u>	<u>(4,343)</u>	<u>-</u>	<u>183,775</u>
<i>Restricted funds</i>					
Capital Development fund	21,665	-	(10,008)	(11,657)	-
Arts Council Exceptional Circumstances	600	-	(600)	-	-
Heritage – Georgian Fair Group	3,122	-	(1,110)	-	2,012
Arts Out West ACE/NPO	8,879	-	(8,879)	-	-
Total restricted funds	<u>34,266</u>	<u>-</u>	<u>(20,597)</u>	<u>(11,657)</u>	<u>2,012</u>
Total funds	<u>343,539</u>	<u>290,578</u>	<u>(324,806)</u>	<u>-</u>	<u>309,311</u>

16 Funds

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

Capital Development Fund

This fund has a long history (7 years or so) and funding was established as a result of a crowd funding appeal to fund major items of expenditure for improving or maintaining the Kirkgate Centre.

Arts Council Exceptional Circumstances

This grant was awarded partly to organise an exhibition which in the event was not held. We propose to allocate the balance to the current ACE funded project which will take place in the next financial year.

Georgian Fair Group

A donation from the Cockermouth Georgian Fair organising group for heritage related activities.

Cumbria Family Arts Network

CFAN is an informal consortium of West Cumbrian cultural and community organisations. Kirkgate Arts is the lead partner and provides financial administration for Arts Council England funding through the Grants for the Arts programme.

Arts Council England: Arts Out West

To deliver a programme of performances, arts events and activities in village halls, communities and schools throughout West Cumbria. National Portfolio Organisation funding from Arts Council England is channelled through Highlights Rural Touring, Kirkgate Arts' partner in providing a rural touring service in Northern England. The Arts Out West programme attracts match funding, including from Cumbria County Council and Copeland Community Fund.

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KIRKGATE ARTS

NOTES TO FINANCIAL STATEMENTS
For the Year ended 31st March 2023

17 Analysis of net assets between funds

	Unrestricted Funds	Designated Funds	Restricted Funds	Total
	£	£	£	£
Fixed assets	20,741	183,775	2,012	206,528
Current assets	179,573	-	-	179,573
Current liabilities	(76,790)	-	-	(76,790)
	<u>123,524</u>	<u>183,775</u>	<u>2,012</u>	<u>309,311</u>