

**Registered number: 08251877**

**Charity number: 1150733**

**Sunderland Music, Arts and Culture Trust**  
**(A company limited by guarantee)**

**Annual report**

**Year ended 31 October 2024**

**Sunderland Music, Arts and Culture Trust**  
**(A company limited by guarantee)**

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# **Sunderland Music, Arts and Culture Trust**

**(A company limited by guarantee)**

## **Reference and administrative details**

**Year ended 31 October 2024**

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### **Trustees**

Paul Michael Callaghan, CBE, DL, FRSA, Hon DBA, Chair

John Dennis Mowbray, OBE, DL

Robert William Lawson OBE

Ross George Thomas Millard

Marie Nixon

Graeme Thompson MBE

### **Company registered number**

08251877

### **Charity registered number**

1150733

### **Registered office**

The Fire Station

High Street West

Sunderland

SR1 3HA

### **Company secretary**

Paul Callaghan

### **Independent auditor**

UNW LLP

Chartered Accountants

Citygate

St James' Boulevard

Newcastle upon Tyne

NE1 4JE

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report

Year ended 31 October 2024

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The trustees present their annual report together with the trust's audited financial statements for the year 1st November 2023 to 31st October 2024. 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 (FRS 102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the 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

#### ● Policies and objectives

Founded in 2012, the Sunderland Music, Arts, and Culture Trust ('the Trust') seeks to act as a catalyst, developer, and promoter of cultural initiatives in the city. Its goal is to unite individuals with skills, talent, and ambition who are committed to realising a vision of Sunderland as a lively, creative, and dynamic environment for arts, music, and culture to flourish.

It encourages individuals of all ages and backgrounds to engage in cultural activities, such as playing an instrument, learning to dance, act, or sing, or creating literature or poetry. It also assists in developing audiences for arts and cultural performances in Sunderland.

The Trust sees the digital revolution as an amazing opportunity, enabling new creativity and reaching wider audiences.

The Trust builds infrastructure and venues for the city's cultural renaissance and develops sector capacity.

Through a balanced, sustainable programme of high-quality art and culture, it has expanded partnerships, increased programming reach, and raised awareness. It promotes outstanding arts events that engage participants, attract diverse audiences, and enhance community well-being.

The charity's objectives are to benefit the public at large, particularly the residents of Sunderland and its surrounding areas:

1. To promote urban or rural regeneration in areas of social and economic deprivation, particularly in Sunderland and its surrounding areas, by any or all of the following means:
  - the maintenance, improvement or provision of public amenities;
  - the preservation of buildings or sites of historic or architectural importance;
  - the provision of recreational facilities for the public at large or for those who by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances have need of such facilities; and
  - such other means as the trustees may from time to time determine.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 October 2024

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### Objectives and activities (continued)

2. To advance the arts (including music, music theatre, drama, decorative and visual arts, dance, ballet, circus, poetry, music hall, comedy, and variety performance) and the education of the public in the arts by:
  - the establishment and maintenance of an arts venue and the presentation, production and commissioning of public concerts, plays, shows, performances and other demonstrations of the arts at the said venue and elsewhere;
  - such other means as the trustees may from time to time determine; and
  - for such other exclusively charitable purposes as the trustees may from time to time determine.

In setting objectives and planning activities, the trustees have considered the general guidance published by the Charity Commission on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

### • Activities undertaken to achieve objectives

Since it was established in 2012, the Trust has been active in the following three areas in the city of Sunderland and the wider north east region:

- a. The development of significant infrastructure projects for the arts and culture or to support arts and culture;
- b. The delivery, promotion, and support of cultural activities, events, and organisations; and
- c. The establishment of innovative governance structures in collaboration with key civic stakeholders to develop and implement a cultural strategy for the city.

### 1. The Development of Major Infrastructure Projects Supporting Arts and Culture

The main goal of this initiative is to develop a cultural quarter in central Sunderland, significantly regenerating the Edwardian core around the Bishopwearmouth Conservation Area, near Sunderland Minster and the Sunderland Empire. Key structures built between 1901 and 1908 include the Dun Cow pub, the Old Fire Station, and the Peacock pub. The project also features the Fire Station Auditorium, a performing arts venue located between the Empire and the Fire Station, previously the site of three car parks from demolished buildings due to bomb damage. The Auditorium opened on 10 December 2021.

The Cultural Quarter houses diverse arts and cultural spaces, forming the city's creative hub. It includes theatres, music and dance venues, cultural enterprise facilities, and education studios. Funding for Sunderland's ambitious regeneration came from various sources, starting with the Heritage Lottery Fund. Sunderland City Council and Arts Council England also contributed significantly to projects like the Fire Station and Auditorium.

Significant investment from Leighton Management, based in Sunderland, funded the initial master planning for the Quarter and provided substantial loans to the Trust. Leighton acquired the Dun Cow and Peacock pubs; their rent supports the Trust, generating extra revenue for the Fire Station and Auditorium until 2027. The main auditorium is considered one of the finest mid-sized venues in the country, with exceptional lighting, acoustics, and sightlines.

The Trust is grateful for the generous financial support from: The Garfield Weston Foundation, The Catherine Cookson Charitable Trust, The Foyle Foundation, The Esmée Fairbairn Foundation, The Sir Tom Cowie Charitable Trust, The Wolfson Foundation, The Backstage Trust, The Sir James Knott Trust, and The Gillian Dickinson Trust.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 October 2024

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### Objectives and activities (continued)

#### 2. The Delivery, Promotion, and Support of Cultural Activities

The Trust acts as a catalyst and developer of cultural activity in Sunderland, promoting and funding key initiatives in recent years, including:

##### The Cultural Spring

Established in 2014, this project is part of the Arts Council England's Creative People and Places programme for Sunderland and South Tyneside. Initially a partnership between the Trust, Sunderland University, and the Customs House, it has since included Sangini, a multicultural women's organisation. The Trust has initiated funding and leadership of the project. The Cultural Spring has successfully hosted community initiatives and events like the Great North Passion, Rush, Summer Streets, and Inventors! Recently, it received additional funding from Arts Council England, bringing its total CPP funding to £5.5 million since 2014.

Cultural Spring collaborates with artists to offer workshops, events, and discounted tickets. Since 2014, it has engaged communities in 26 ward areas of South Tyneside and Sunderland. The project aims to foster a legacy of arts participation, enhance artistic expression, and help communities host sustainable events. Workshop activities include ceramics, guitar, crafting, photography, and more, led by professional artists in familiar local venues. Other Cultural Spring programs like 'Go and See' offer residents opportunities to experience cultural events, while 'Your Art' supports community-driven artistic ideas and events.

In September 2020, The Cultural Spring Charity was created to support The Cultural Spring project and enhance investment in arts and culture from trusts and foundations. The Trust is on the Steering Group and the Charity Board, committed to expanding The Cultural Spring's work and creating new opportunities for community engagement in arts and culture across Sunderland and South Tyneside.

##### Summer Streets

Established in 2014, the Summer Streets Festival is an annual music, arts, and community festival that takes place in Sunderland every July. Over the years, Summer Streets has hosted countless musicians, outdoor arts performers, comedians, spoken-word artists, and workshop practitioners, with artists hailing from all over the world. It is produced by one of our trustees and funded by Arts Council England and Sunderland City Council.

#### 3. The establishment of innovative governance structures

The Trust aims to deliver infrastructure and cultural activities while demonstrating strategic cultural leadership. It collaborates with Sunderland University and the City Council, both of which own significant cultural assets and recognise the benefits of collective effort. This has been a three-stage process:

##### Sunderland Cultural Partnership

This was formed in 2013, bringing together the University, Council, and Trust, working with Arts Council England and the Heritage Lottery Fund to develop the city's cultural life. It was a forum and decision-making body that galvanized activity and focused minds in a way that the city had never previously seen, and it was widely recognised for its success.

##### **The Sunderland Cultural Strategy**

The Trust was a driving force in developing this strategy, showing a clear vision for the city's cultural development. Sponsored by the Cultural Partnership, it involved various city partners and has been described as the trigger for the Sunderland Cultural Renaissance.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 October 2024

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### Objectives and activities (continued)

#### Sunderland Culture Limited

Following the success of the cultural partnership model, the three key partners established Sunderland Culture Limited, a charitable trust committed to providing long-term leadership in culture and the arts within the city. Under Sunderland Culture, some of the city's key assets, including the National Glass Centre, The Museum and Winter Gardens, and the Northern Gallery for Contemporary Art, are managed strategically. As one of the three partners, the Trust has financed this initiative and will collaborate to ensure its future success. Sunderland Culture is an Arts Council England National Portfolio Organisation and a registered charity.

#### Culture Start

Culture Start is a transformative three-year initiative designed to combat the long-term effects of child poverty on children and young people in Sunderland. The project aims to reduce inequalities in cultural opportunities, thereby fostering a more equitable cultural landscape within the city.

The North East has surpassed London as one of the regions with the highest child poverty rates in the UK. In Sunderland, this rate has steadily increased in recent years and now exceeds both national and regional averages. Over 15,000 children in the city live in poverty, with some wards reporting rates above 40%. Sunderland also has the highest Red Cross Vulnerability Score in the North East, with 27% of its children residing in the country's 10% most deprived areas.

The impact of growing up in poverty are complex and long-lasting, affecting health and educational attainment. Access to cultural activities can have positive, life-changing effects in all these areas; however, those young individuals with the greatest need often have the least access. Culture Start, which commenced in 2024 and is delivered by Sunderland Culture, is a £1.5 million, three-year programme funded by a £1.2 million grant from Arts Council England and £300,000 of charitable contributions which aims to provide access to arts and cultural opportunities for children and young people from the most disadvantaged households in Sunderland. It will deliver an ambitious, high-quality creative programme, co-developed with children, young people, and city partners, to enhance reach and engagement, build confidence and skills, develop access to cultural opportunities, and embed long-term change in the policies and practices of the city's cultural organisations. The project has been developed in partnership with cultural, educational, community, and civic partners, including: the Trust, Together for Children, Children North East, Gentoo, Inspired Sunderland, North East Youth, All Together Consortium, Sunderland College and the University of Sunderland.

#### Sunderland Music City

Sunderland has undergone significant cultural renewal in the past decade. Better leadership and governance have driven infrastructure investments, positioning Sunderland as a potential global music city. The Trust believes that partnerships with other music cities worldwide can enhance the local and national music scene, fostering a legacy for future generations.

Sunderland Music City aims to ignite a vibrant creative phase in our city, focusing on three essential pillars: culture, economy, and society. Conversations with residents, musicians, educators, and audiences provided insights into desired changes and the impact of music on youth, health, social connections, the creative economy, and overall visibility. These discussions highlight three key themes of the creative pillars:

- Creativity and Talent
- Passion for Music
- Inclusivity and Civic Pride

The journey to develop Sunderland as a Music City began in 2018 with the Trust initiating discussions with the University, College, Council, and other parties in the city. There was evident enthusiasm for the initiative from all sectors, aligning with new cultural programs like 'We Make Culture' and the 'Young Musicians Project' and developing new venues, including the Fire Station and PopRecs. Although COVID-19 hindered progress, enthusiasm for the project remained strong.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 October 2024

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### Objectives and activities (continued)

In the summer of 2024 Sunderland Music City launched with an Advisory Board of local music stakeholders, including university and football club representatives, and diverse music organisations. This ensures broad representation across genres, supporting the Music Office in developing and implementing initiatives through existing networks.

Establishing a City Music Office in the Cultural Quarter and appointing two Music Officers as key contacts for musicians and industry professionals in June 2024 represented a significant step. The Music Officers enhance connections among stakeholders in the music industry, cultural sector, and community, fostering essential trust.

The Music Office audited the city's musical activities, highlighting music's vital role in the cultural landscape. Engaging with industry professionals, the evaluation showcased Sunderland's music networks and community ties. It raised awareness of sector needs and built trust among those hesitant about innovation. The Office used the audit and surveys to develop policies for Sunderland's music sector growth, implemented by community aware individuals. It will outline measurable outcomes for ongoing assessment.

The Music Office, with the Music City Advisory Board, has developed a music strategy which was publicly launched on January 21, 2025. This plan draws on successful practices from other cities, adapted for Sunderland's context. It enhances the Sunderland Cultural Partnership's strategy, the City of Culture bid, and regional initiatives. The strategy aligns efforts among local organisations like the City Council, the University, and Sunderland Music Hub. The aim is to unify these components into an inclusive strategy for all stakeholders and support a bid to become a member of the Music Cities Network.

### Achievements and performance

#### • Review of activities

2023/24 has been another exciting and successful year for the Trust with the continued success of the Fire Station Auditorium. Pub Culture Ltd delivered the programming and venue operations in the Fire Station. The Trust is pleased that the University of Sunderland continues to use the Auditorium for conferences, student performances, and lectures.

Throughout the year, the Auditorium:

- hosted 204 public ticketed shows
- sold 71,000 tickets
- achieved total ticket turnover of £1,650,000

The Auditorium has welcomed a range of performers including:

American Four Tops  
Arab Strap  
Ben Ottewell & Ian Ball  
Beth Nielsen Chapman  
Big Country  
Brian Bilston & Henry Normal  
Calexico  
China Crisis  
Chris Difford  
Craig Charles  
David Puttnam Chariots of Fire  
Ed Byrne  
Eliza Carthy & Jon Boden  
Fairport Convention  
Ferocious Dog  
Focus



# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 October 2024

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### Achievements and performance (continued)

Inspiral Carpets  
Janey Godley  
Joanne Shaw Taylor  
John Grant  
Johnny Hates Jazz  
Karine Polwart & Dave Milligan  
Kathryn Tickell  
Kim Wilde  
Leo Sayer  
Lindisfarne  
Maximo Park  
Mica Paris  
Moya Brennan  
Mugenkyo Taiko Drummers  
National Theatre Live  
Nick Heyward  
Nick Lowe & Los Straitjackets  
Nik Kershaw  
North East Culture Awards  
Oysterband & June Tabor  
Paul Edis  
Penguin Cafe  
Peter Hook & The Light  
Ronnie Scott's All Stars  
Royal Northern Sinfonia  
Royal Philharmonic Orchestra  
Ruby Turner  
Sam Sweeney Band  
Seckou Keita  
Seth Lakeman  
Skindred  
Starsailor  
Sunderland Shorts Film Festival  
Sweet  
Teddy Thompson  
The Eveready Brass Band  
The Futureheads  
The Handsome Family  
The Lake Poets  
The Lathums  
The Pitmen Poets  
The Royal Ballet  
The Science Museum  
The Shires  
The Undertones  
Tom A. Smith  
Tom Robinson Band  
Tommy Emmanuel  
Trevor Nelson's Soul Nation  
University of Sunderland Final Showcase '24  
Vonda Shepard  
Waves Festival  
Will Young  
Various other conferences and meetings

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 October 2024

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### Achievements and performance (continued)

#### The Fire Station Studios

The first-floor dance and drama studios are leased to Musical Theatre Studio Ltd (MTS), a leading musical theatre academy in the North East. MTS students have secured places at prestigious arts schools, colleges, and universities, including ArtsEd, Mountview, and The BRIT School. The Fire Station offers MTS state-of-the-art facilities and a dedicated space for self-reflection, study, and rehearsal. The Trust is pleased that the Fire Station is filled with talented young individuals beginning their journeys into musical theatre.

The second-floor studios of the Fire Station are leased to the Northern Academy of Music Education (NAME), an independent college offering contemporary higher education programmes in modern music, in partnership with The University of Sunderland.

The BA (Hons) and MA Modern Music Industries degrees, validated by the University, provide essential skills for succeeding in the modern music industry. Taught by industry professionals, the course covers recording, marketing, event planning, composition, genre studies, and performance. Now in its fourth year, the Academy has exceeded recruitment targets and is a key partner in the city's musical education.

### Financial review

#### • Financial performance

The Trust has benefited from support from several Trusts and Foundations and personal donations from Paul Callaghan, its Chair, and other individual donors.

The Trust has incurred expenditures related to the ongoing management of the Fire Station and the delivery of the Summer Streets Festival. Given the ongoing development, the trustees are satisfied with the overall performance and year-end position.

The trust changed its management arrangements during the year where Pub Culture Limited will manage the property and will therefore be entitled to the rental income which is recieved.

#### • Going concern

The Trust will receive rental income in 2024/2025, as noted in the reserves policy. It continues receiving support from Leighton Management, which will inject funds as needed for at least twelve months from the signing date of these financial statements. Leighton Management will provide loan funding until the Auditorium is operational and other income sources arise. After appropriate inquiries, the trustees reasonably expect the Trust has adequate resources to maintain its operations for the foreseeable future. Thus, they continue adopting the going concern basis for the financial statements..

#### • Reserves policy

At the year end the Trust has unrestricted reserves of £10,392,336 of which £12,906,019 was tied up in fixed assets, with the deficit funded through loans. The Trust will seek to accrue reserves now the capital development phase of the Culture Quarter project is complete. It anticipates continuing to earn income from the Peacock and Dun Cow Public Houses, the Fire Station, and the Auditorium in the 2024/25 financial year. The Trust will also continue to seek other grants from charitable trusts to support its work in the future.

#### • Plans for the future

The Trust will continue collaborating with partners on the Fire Station, Culture Start, and other initiatives. Enhancing arts and culture in Sunderland is vital, and the Trust will play a significant role in this.

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# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 October 2024

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### Structure, governance and management

#### • Constitution

The Trust is registered as a charitable company limited by guarantee and was incorporated on 12 October 2012. It is a registered charity, number 1150733.

#### • The board and its members

The trustees, who are elected and co-opted under the Articles of Association, are responsible for the company's management. If necessary, new trustees are inducted.

The board has a minimum of five and a maximum of 11 members. In the 2023/24 financial year, the board had six members.

Articles provide for 'members' and 'directors,' but in practice, board members are both company directors and trustees of the trust. However, representatives of funding organisations (such as Sunderland City Council, the Heritage Lottery Fund, and Arts Council England) may also attend board meetings as observers.

#### Board composition and recruitment

Board membership reflects the diverse communities served by the Trust. In selecting its members, the board strives for gender balance and promotes an appropriate age distribution. Furthermore, the board comprises a range of relevant skills, experience, and abilities, with members contributing one or more of the following skills and expertise:

- Arts and Entertainment
- Finance/Accounting/Business
- Fundraising
- Networking
- Marketing/communications
- Digital media
- Education and training
- HR Management
- Capital projects
- Legal
- Community Representation

#### Role of the board

Board members hold both corporate and individual responsibilities under company and charity law. They govern the Trust, align its objectives with the governing document, and comply with legal guidelines. They are responsible for the Trust's success and long-term financial sustainability.

The board acts collectively and corporately, with care, diligence, and skill, in the best interests of the Trust..

#### Executive Management

This year, Trust Chief Executive Lucy Bird retired, after benefiting the Trust with her exceptional leadership. In April 2024, the Board appointed experienced arts leader Michelle Daurat as the new Chief Executive. Previously, she was Director of the Tall Ships Races in Hartlepool (2011) and Sunderland (2017), and held senior roles at the National Glass Centre. The Board is delighted to welcome her to the Trust..

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 October 2024

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### Structure, governance and management (continued)

#### • Diversity

The Trust values diversity among artists, participants, audience, and staff. It commits to a discrimination-free cultural environment where everyone is treated with respect. The trust fosters inclusivity, creating a dynamic space, valuing contributions and individuality. Its policies ensure all feel welcome and free from discrimination based on age, disability, gender, ethnicity, religion, or sexual orientation.

#### • Risk management

The trustees assessed major risks to the Trust, especially operational and financial ones, and are confident that systems are in place to mitigate these risks.

### Members' liability

The members of the trust guarantee to contribute an amount not exceeding £10 to the assets of the trust in the event of winding up.

### Statement of trustees' responsibilities

The trustees (who are also the directors of the trust 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 trust and of its incoming resources and application of resources, including its 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 trust will continue in business.

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

# **Sunderland Music, Arts and Culture Trust**

**(A company limited by guarantee)**

## **Trustees' report (continued)** **Year ended 31 October 2024**


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### **Disclosure of information to auditor**

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

- so far as that trustees are aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that trustees have 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 charity's auditor is aware of that information.

Approved by order of the members of the board of trustees on 23 June 2025 and signed on their behalf by:

DocuSigned by:  
  
B5253A01C2CC458...

**Paul Michael Callaghan, CBE, DL, FRSA, Hon DBA**  
Chair of the board of trustees



## **Independent auditor's report to the members of Sunderland Music, Arts and Culture Trust**

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### **Opinion**

We have audited the financial statements of Sunderland Music, Arts and Culture Trust (the 'charitable company') for the year ended 31 October 2024 which comprise the statement of financial activities incorporating income and expenditure account, the balance sheet, the 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 charitable company's affairs as at 31 October 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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.

### **Conclusions relating to going concern**

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

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

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



## **Independent auditor's report to the members of Sunderland Music, Arts and Culture Trust (continued)**

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### **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 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.



## **Independent auditor's report to the members of Sunderland Music, Arts and Culture Trust (continued)**

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### **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:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the trustees and other management (as required by Auditing Standards) and from inspection of the charitable company's legal correspondence and we discussed with the trustees and other management the policies and procedures in place regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our audit team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; health and safety, employment law, data protection, environmental law and certain aspects of company legislation, recognising the nature of the charitable company's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we did not become aware of any actual or suspected non-compliance material to the financial statements.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.





## Independent auditor's report to the members of Sunderland Music, Arts and Culture Trust (continued)

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### Use of our report

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

DocuSigned by:

Anne Hallowell

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**Anne Hallowell BSc FCA DChA (Senior Statutory Auditor)**

**For and on behalf of UNW LLP, Statutory Auditor**

Chartered Accountants

Newcastle upon Tyne

23 June 2025

UNW LLP are eligible to act as auditors in terms of section 12 of the Companies Act 2006.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Statement of financial activities (incorporating income and expenditure account) Year ended 31 October 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>					
Donations	4	385,452	254,333	639,785	190,408
Other activities	5	106,657	-	106,657	227,060
<b>Total income</b>		<b>492,109</b>	<b>254,333</b>	<b>746,442</b>	<b>417,468</b>
<b>Expenditure on:</b>					
Charitable activities	6	631,837	195,690	827,527	726,642
<b>Total expenditure</b>		<b>631,837</b>	<b>195,690</b>	<b>827,527</b>	<b>726,642</b>
<b>Net movement in funds</b>		<b>(139,728)</b>	<b>58,643</b>	<b>(81,085)</b>	<b>(309,174)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		10,532,064	-	10,532,064	10,841,238
Net movement in funds		(139,728)	58,643	(81,085)	(309,174)
<b>Total funds carried forward</b>		<b>10,392,336</b>	<b>58,643</b>	<b>10,450,979</b>	<b>10,532,064</b>

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

The notes on pages 19 to 32 form part of these financial statements.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

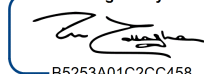
## Balance sheet At 31 October 2024

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	9	12,906,019	13,211,686
<b>Current assets</b>			
Debtors	11	78,336	123,969
Cash at bank and in hand		239,821	13,726
		<u>318,157</u>	<u>137,695</u>
Creditors: amounts falling due within one year	12	(368,651)	(244,680)
<b>Net current liabilities</b>		<u>(50,494)</u>	<u>(106,985)</u>
<b>Total assets less current liabilities</b>		<u>12,855,525</u>	<u>13,104,701</u>
Creditors: amounts falling due after more than one year	13	(2,404,546)	(2,572,637)
<b>Total net assets</b>		<u><u>10,450,979</u></u>	<u><u>10,532,064</u></u>
<b>Charity funds</b>			
Unrestricted funds	14	10,392,336	10,532,064
<b>Total funds</b>		<u><u>10,450,979</u></u>	<u><u>10,532,064</u></u>

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 23 June 2025 and signed on their behalf by:

DocuSigned by:



B5253A01C2CC458...  
**Paul Michael Callaghan, CBE, DL, FRSA, Hon DBA**  
Chair of the board of trustees

Company registered number: 08251877

The notes on pages 19 to 32 form part of these financial statements.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Statement of cash flows Year ended 31 October 2024

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	16	352,173	88,535
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(27,772)	(140,453)
<b>Net cash used in investing activities</b>		(27,772)	(140,453)
<b>Cash flows from financing activities</b>			
Cash inflows from new borrowing		350,000	370,000
Repayments of borrowing		(434,622)	(310,000)
Interest paid		(13,684)	-
<b>Net cash (used in)/provided by financing activities</b>		(98,306)	60,000
<b>Change in cash and cash equivalents in the year</b>		226,095	8,082
Cash and cash equivalents at the beginning of the year		13,726	5,644
<b>Cash and cash equivalents at the end of the year</b>	17	239,821	13,726

The notes on pages 19 to 32 form part of these financial statements

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

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### 1. General information

Sunderland Music, Arts and Culture Trust ('the trust') is a company limited by guarantee, incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is disclosed in the reference and administrative details page on page 1 and the principal activity is disclosed in the trustees' report on page 2.

### 2. Accounting policies

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 periods presented, unless otherwise stated.

#### 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.

The trust 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 financial statements are prepared in sterling, which is the functional currency of the charity and are rounded to the nearest £1.

#### 2.2 Going concern

Although in a net current liabilities position, the Trust expects to continue to receive rental income in 2025 and 2026 as detailed in the reserves policy in the Trustees' report on page 8. It continues to be supported by Leighton Management, which has confirmed that it will inject funds as needed for a period of at least twelve months from the date of signing these financial statements. Leighton Management will continue to provide loan funding. After making appropriate enquiries, the trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### 2.3 Income

All income is recognised once the trust 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 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.

Rental income is recognised on a straight line basis over the period of the lease.

Interest income is recognised on an accruals basis.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements

### Year ended 31 October 2024

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2. Accounting policies (continued)

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.

All expenditure is accounted for on an accruals basis.

The costs of each activity are made up of the total of direct costs and support costs involved in undertaking each activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the company, including those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements.

All borrowing costs are recognised in the profit and loss account in the period in which they are incurred.

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land and assets under construction. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Fixtures and fittings	-	25% straight line
Office equipment	-	25% straight line

2.6 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.

2.7 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.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

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### 2. Accounting policies (continued)

#### 2.8 Liabilities

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 trust 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.

#### 2.9 Pensions

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

#### 2.10 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 Trust 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 trust 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.

### 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 only estimate included within these financial statements is the depreciation charge. This is not considered to carry significant estimation uncertainty, nor to bear significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year.

In preparing these financial statements, the trustees do not consider there were any significant areas of judgment that were required in applying the charity's accounting policies as set out above.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 4. Income from donations

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	301,995	-	<b>301,995</b>
Grants	83,457	254,333	<b>337,790</b>
	<u>385,452</u>	<u>254,333</u>	<u><b>639,785</b></u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	104,410	-	104,410
Grants	-	85,998	85,998
	<u>104,410</u>	<u>85,998</u>	<u>190,408</u>

### 5. Income from other activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rental income	106,657	<b>106,657</b>	227,060

The Trust are collecting rental income on behalf of Pub Culture under the revised licence for the buildings, as an agency arrangement, with any balance due to Pub Culture being shown within creditors.



# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 October 2024

### 6. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £
Support for cultural activities	213,098	101,000	513,429	<b>827,527</b>

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	311,131	415,511	726,642

### Analysis of direct costs

	Charitable activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	81,660	<b>81,660</b>	39,000
Consultancy fees	17,024	<b>17,024</b>	41,550
Summer Streets Festival	94,690	<b>94,690</b>	92,360
Building management costs	-	-	20,736
Insurance	5,092	<b>5,092</b>	29,227
Utilities	10,872	<b>10,872</b>	22,699
Repairs and maintenance	2,305	<b>2,305</b>	2,559
Cleaning	(845)	<b>(845)</b>	57,708
Donations	2,300	<b>2,300</b>	5,292
	<b>213,098</b>	<b>213,098</b>	311,131

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 6. Analysis of expenditure by activities (continued)

#### Analysis of support costs

	<b>Charitable activities 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Staff costs	3,542	<b>3,542</b>	983
Depreciation	333,439	<b>333,439</b>	328,511
Administration	60,055	<b>60,055</b>	68,093
Interest	90,679	<b>90,679</b>	-
Auditor's remuneration for the audit of these accounts	6,900	<b>6,900</b>	6,600
Auditor's remuneration for other financial services	18,314	<b>18,314</b>	10,824
Auditor's remuneration for other assurance services	500	<b>500</b>	500
	<u>513,429</u>	<u><b>513,429</b></u>	<u>415,511</u>

### 7. Analysis of grants

	<b>Grants to Institutions 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Grants, Charitable activities	101,000	<b>101,000</b>	-

The grants payable in the year is in relation to Culture Start grant which has been subcontracted to Sunderland Culture. This is payable over 3 years with the £101,000 relating to the current financial year.

Sunderland Music, Arts and Culture Trust  
(A company limited by guarantee)

Notes to the financial statements  
Year ended 31 October 2024

8. Staff costs

	2024 £	2023 £
Wages and salaries	81,660	39,000
Social security costs	1,797	-
Contribution to defined contribution pension schemes	1,745	983
	<u>85,202</u>	<u>39,983</u>

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

	2024 No.	2023 No.
Employees	<u>2</u>	<u>1</u>

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

No trustees received any remuneration or benefits for their services to the trust, nor were any expenses reimbursed to trustees during the year (2023: £nil).

Key management personnel is considered to be both employees, whose total remuneration was £85,202 as disclosed above.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 9. Tangible fixed assets

	Assets under construction £	Land and buildings £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>					
At 1 November 2023	73,213	13,823,044	225,953	16,761	14,138,971
Additions	-	18,289	8,808	675	27,772
Transfers between classes	(73,213)	73,213	-	-	-
At 31 October 2024	-	13,914,546	234,761	17,436	14,166,743
<b>Depreciation</b>					
At 1 November 2023	-	815,129	104,133	8,023	927,285
Charge for the year	-	276,827	52,284	4,328	333,439
At 31 October 2024	-	1,091,956	156,417	12,351	1,260,724
<b>Net book value</b>					
At 31 October 2024	-	12,822,590	78,344	5,085	12,906,019
At 31 October 2023	73,213	13,007,915	121,820	8,738	13,211,686

Included in land and buildings is land with a cost of £125,726 (2023: £125,726) which is not depreciated.

### 10. Fixed asset investments

The Trust is a 33.3% member of Sunderland Culture Limited, a partnership between the trust, Sunderland City Council and Sunderland University.

The trustees do not consider the Trust to have significant influence over Sunderland Culture Limited, which is a separate registered charity, and therefore do not consider it to be an associate. Accordingly, Sunderland Culture Limited is not consolidated into the accounts of the Trust.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 11. Debtors

	2024 £	2023 £
Trade debtors	34,914	81,864
Other debtors	19,314	824
Prepayments and accrued income	24,108	41,281
	<u>78,336</u>	<u>123,969</u>

### 12. Creditors: Amounts falling due within one year

	2024 £	2023 £
Other loans	83,469	-
Trade creditors	26,782	9,724
Other taxation and social security	16,692	705
Other creditors	25,802	-
Accruals and deferred income	215,906	234,251
	<u>368,651</u>	<u>244,680</u>

	2024 £	2023 £
Resources deferred during the year	<u>5,677</u>	<u>-</u>

**Sunderland Music, Arts and Culture Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**Year ended 31 October 2024**

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**13. Creditors: amounts falling due after more than one year**

	2024	2023
	£	£
Loan	<u>2,404,546</u>	<u>2,572,637</u>

The loan, which is from Leighton Management Limited, has a term of 40 years, is unsecured, accrues interest at 3% per annum and is repayable in consecutive monthly instalments commencing in November 2020 and continuing until October 2060. In previous years Leighton Management Limited have confirmed that the scheduled payments of capital and interest had been waived, however the capital element of the loan repayments has not been waived in the current year. Leighton Management Limited have continued to waive payments of interest during the year. The total value of interest charges waived during the year was £76,995 (2023: £76,025), this has been shown been classified as donation income from Leighton Management Limited.

A new loan for £300,000 was entered into during the year with North East Social Investment fund, it has a term of 5 years, is unsecured, accrues interest at a rate 8% per annum and is repayment in consecutive monthly instalments commencing in April 2024. The total interest charge for the year was £13,684.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 14. Statement of funds

#### Statement of funds - current year

	Balance at 1 November 2023 £	Income £	Expenditure £	Balance at 31 October 2024 £
<b>Unrestricted funds</b>				
General funds	10,532,064	492,109	(631,837)	10,392,336
<b>Restricted funds</b>				
Grants received	-	164,074	(101,000)	63,074
Summer Streets	-	90,259	(94,690)	(4,431)
	-	254,333	(195,690)	58,643
<b>Total of funds</b>	<b>10,532,064</b>	<b>746,442</b>	<b>(827,527)</b>	<b>10,450,979</b>

#### Statement of funds - prior year

	Balance at 1 November 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 October 2023 £
<b>Unrestricted funds</b>					
General funds	10,841,238	331,470	(634,282)	(6,362)	10,532,064
<b>Restricted funds</b>					
Restricted funds	-	85,998	(92,360)	6,362	-
<b>Total of funds</b>	<b>10,841,238</b>	<b>417,468</b>	<b>(726,642)</b>	<b>-</b>	<b>10,532,064</b>

Restricted funds represent grants received for specific revenue projects, with any shortfall met from unrestricted funds.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 15. 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	12,906,019	-	<b>12,906,019</b>
Current assets	414,499	58,643	<b>473,142</b>
Creditors due within one year	(523,636)	-	<b>(523,636)</b>
Creditors due in more than one year	(2,404,546)	-	<b>(2,404,546)</b>
<b>Total</b>	<b>10,392,336</b>	<b>58,643</b>	<b>10,450,979</b>

#### Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	13,211,686	13,211,686
Current assets	137,695	137,695
Creditors due within one year	(244,680)	(244,680)
Creditors due in more than one year	(2,572,637)	(2,572,637)
<b>Total</b>	<b>10,532,064</b>	<b>10,532,064</b>

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

	2024 £	2023 £
Net expenditure for the period (as per Statement of Financial Activities)	<b>(81,085)</b>	(309,174)
<b>Adjustments for:</b>		
Depreciation charges	<b>333,439</b>	328,511
Interest paid	<b>13,684</b>	-
(Increase)/decrease in debtors	<b>(109,352)</b>	189,404
Increase/(decrease) in creditors	<b>195,487</b>	(120,206)
<b>Net cash provided by operating activities</b>	<b>352,173</b>	88,535



# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 17. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	<u>239,821</u>	<u>13,726</u>

### 18. Analysis of changes in net debt

	At 1 November 2023 £	Cash flows £	At 31 October 2024 £
Cash at bank and in hand	13,726	226,095	239,821
Debt due within 1 year	-	(83,469)	(83,469)
Debt due after 1 year	<u>(2,572,637)</u>	<u>168,091</u>	<u>(2,404,546)</u>

### 19. Pension commitments

The Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered fund. The pension cost charge represents contributions payable by the Trust to the fund and amounted to £1,745 (2023: £983). No contributions were outstanding at the year end (2023: £nil).

### 20. Operating leases

In 2023 The Trust owned land and buildings which were rented out to a third party. At 31 October 2024 the Trust had replaced this lease with a service level arrangement with Pub Culture:

	2024 £	2023 £
Not later than 1 year	-	52,850
Later than 1 year and not later than 5 years	-	158,550
	<u>-</u>	<u>211,400</u>

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

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### 21. Related party transactions

Included within creditors are loans from Leighton Management Limited, a company wholly owned by Paul Callaghan, trustee, totalling £2,217,637 (2023: £2,580,000). During the year, the Trust paid £405,000 (2023: £nil) to Leighton Management Limited in relation to loan repayments. During the year, the Trust received £Nil (2023: £231,504) from Leighton Management in relation to recharges of costs and £Nil (2023: £75,732) was owed at the year end. Furthermore, the Trust received £76,995 (2023: £nil) in donations from Leighton Management Limited which is equivalent of the loan interest which was waived.

During the year, the Trust paid £19,137 (2023: £13,016) to Ross Millard, trustee, for his role as the artistic director of the Summer Streets Festival, a project supported by the Trust.

During the year, the Trust paid £1,624,391 (2023: £nil) to Pub Culture Ltd, a company in which Paul Callaghan, trustee, is a director, in relation to ticket sales collected on behalf of Pub Culture and £33,142 (2023: £3,627) in relation to recharged expenses. At the year end the Trust owed Pub Culture £154,985 (2023: £nil). Pub Culture paid the Trust £120,000 (2023: £nil) during the year in relation to rental costs and £320,798 (2023: £nil) in relation to recharged expenses. At the year end Pub Culture owed the Trust £174,149 (2023: £nil).

During the year, the Trust paid £nil (2023: £129,629) to Sunderland Culture Limited, a company in which the Trust is a 33.3% member, and owed £nil (2023: £nil) at the year end. During the year, Sunderland Culture Limited paid the Trust £25,167 (2023: £nil) in relation to a settlement agreement.

During the year, the Trust received £225,000 (2023: £100,000) from Paul Callaghan, trustee, in donations.

23 June 2025

UNW LLP  
Citygate  
St James' Boulevard  
Newcastle upon Tyne  
NE1 4JE

Dear Sirs

**SUNDERLAND MUSIC, ARTS AND CULTURE TRUST**

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the trust's financial statements for the year ended 31 October 2024. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

**General**

- 1 We have fulfilled our responsibilities as trustees, as set out in the terms of your engagement letter dated 8 February 2024 under the Companies Act 2006, for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2 All the transactions undertaken by the trust have been properly reflected and recorded in the accounting records.
- 3 All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the trust, and with all other records and related information requested, including minutes of all management and trustees' meetings and correspondence with The Charity Commission.
- 4 The financial statements are free of material misstatements, including omissions.
- 5 The effects of uncorrected misstatements (as set out in the appendix to this letter) are immaterial both individually and in total.

**Internal control and fraud**

- 6 We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error, and we believe that we have appropriately fulfilled these responsibilities. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 7 We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others where fraud could have a material effect on the financial statements.
- 8 We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

### **Assets and liabilities**

- 9 The trust has satisfactory title to all assets and there are no liens or encumbrances on the trust's assets, except for those that are disclosed in the notes to the financial statements.
- 10 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 11 We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

### **Accounting estimates**

- 12 The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

### **Loans and arrangements**

- 13 The trust has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

### **Legal claims**

- 14 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

### **Laws and regulations**

- 15 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

### **Related parties**

- 16 Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

### **Subsequent events**

- 17 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

### **Going concern**

- 18 We believe that the trust's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the trust's needs. We also confirm our plans for future action(s) required to enable the trust to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the trust's ability to continue as a going concern need to be made in the financial statements.

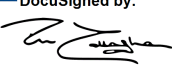
## Grants and donations

- 19 All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully,

DocuSigned by:  
  
B5253A01C2CC458...

**Paul Callaghan CBE, DL, FRSA, Hon DBA**  
**Chair of the Trust Board**

Signed on behalf of the board of trustees  
23 June 2025

## Appendix 1: Uncorrected misstatements

None noted.

### Certificate Of Completion

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charlottetodd@unw.co.uk

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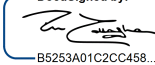
June 23, 2025 | 11:39

charlottetodd@unw.co.uk

### Signer Events

Paul Callaghan  
Paul.Callaghan@leighton.co.uk  
Director  
Security Level: Email, Account Authentication  
(None)

### Signature

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Signed: June 24, 2025 | 20:46

**Electronic Record and Signature Disclosure:**  
Accepted: December 22, 2023 | 10:22  
ID: 46941683-ae86-4aa0-97a4-2fd65b2e4ac7

Anne Hallowell  
annehallowell@unw.co.uk  
Partner  
Security Level: Email, Account Authentication  
(None)

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Signed: June 25, 2025 | 15:03

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Accepted: December 13, 2021 | 08:23  
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### Timestamp

### Editor Delivery Events

### Status

### Timestamp

### Agent Delivery Events

### Status

### Timestamp

### Intermediary Delivery Events

### Status

### Timestamp

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### Status

### Timestamp

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### Status

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BethanyLightfoot@unw.co.uk  
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### Signature

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Notary Events	Signature	Timestamp
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If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

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To contact us by email send messages to: [jacquibrown@unw.co.uk](mailto:jacquibrown@unw.co.uk)

#### **To advise UNW LLP of your new email address**

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To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

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- ii. send us an email to [jacquibrown@unw.co.uk](mailto:jacquibrown@unw.co.uk) and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

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To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

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- Until or unless you notify UNW LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by UNW LLP during the course of your relationship with UNW LLP.

**Registered number: 08251877**

**Charity number: 1150733**

**Sunderland Music, Arts and Culture Trust**  
**(A company limited by guarantee)**

**Annual report**

**Year ended 31 October 2024**

**Sunderland Music, Arts and Culture Trust**  
**(A company limited by guarantee)**

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Statement of cash flows	18
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# **Sunderland Music, Arts and Culture Trust**

**(A company limited by guarantee)**

## **Reference and administrative details**

**Year ended 31 October 2024**

---

### **Trustees**

Paul Michael Callaghan, CBE, DL, FRSA, Hon DBA, Chair

John Dennis Mowbray, OBE, DL

Robert William Lawson OBE

Ross George Thomas Millard

Marie Nixon

Graeme Thompson MBE

### **Company registered number**

08251877

### **Charity registered number**

1150733

### **Registered office**

The Fire Station

High Street West

Sunderland

SR1 3HA

### **Company secretary**

Paul Callaghan

### **Independent auditor**

UNW LLP

Chartered Accountants

Citygate

St James' Boulevard

Newcastle upon Tyne

NE1 4JE

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report

Year ended 31 October 2024

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The trustees present their annual report together with the trust's audited financial statements for the year 1st November 2023 to 31st October 2024. 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 (FRS 102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the 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

#### ● Policies and objectives

Founded in 2012, the Sunderland Music, Arts, and Culture Trust ('the Trust') seeks to act as a catalyst, developer, and promoter of cultural initiatives in the city. Its goal is to unite individuals with skills, talent, and ambition who are committed to realising a vision of Sunderland as a lively, creative, and dynamic environment for arts, music, and culture to flourish.

It encourages individuals of all ages and backgrounds to engage in cultural activities, such as playing an instrument, learning to dance, act, or sing, or creating literature or poetry. It also assists in developing audiences for arts and cultural performances in Sunderland.

The Trust sees the digital revolution as an amazing opportunity, enabling new creativity and reaching wider audiences.

The Trust builds infrastructure and venues for the city's cultural renaissance and develops sector capacity.

Through a balanced, sustainable programme of high-quality art and culture, it has expanded partnerships, increased programming reach, and raised awareness. It promotes outstanding arts events that engage participants, attract diverse audiences, and enhance community well-being.

The charity's objectives are to benefit the public at large, particularly the residents of Sunderland and its surrounding areas:

1. To promote urban or rural regeneration in areas of social and economic deprivation, particularly in Sunderland and its surrounding areas, by any or all of the following means:
  - the maintenance, improvement or provision of public amenities;
  - the preservation of buildings or sites of historic or architectural importance;
  - the provision of recreational facilities for the public at large or for those who by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances have need of such facilities; and
  - such other means as the trustees may from time to time determine.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 October 2024

### Objectives and activities (continued)

2. To advance the arts (including music, music theatre, drama, decorative and visual arts, dance, ballet, circus, poetry, music hall, comedy, and variety performance) and the education of the public in the arts by:
  - the establishment and maintenance of an arts venue and the presentation, production and commissioning of public concerts, plays, shows, performances and other demonstrations of the arts at the said venue and elsewhere;
  - such other means as the trustees may from time to time determine; and
  - for such other exclusively charitable purposes as the trustees may from time to time determine.

In setting objectives and planning activities, the trustees have considered the general guidance published by the Charity Commission on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

### • Activities undertaken to achieve objectives

Since it was established in 2012, the Trust has been active in the following three areas in the city of Sunderland and the wider north east region:

- a. The development of significant infrastructure projects for the arts and culture or to support arts and culture;
- b. The delivery, promotion, and support of cultural activities, events, and organisations; and
- c. The establishment of innovative governance structures in collaboration with key civic stakeholders to develop and implement a cultural strategy for the city.

#### 1. The Development of Major Infrastructure Projects Supporting Arts and Culture

The main goal of this initiative is to develop a cultural quarter in central Sunderland, significantly regenerating the Edwardian core around the Bishopwearmouth Conservation Area, near Sunderland Minster and the Sunderland Empire. Key structures built between 1901 and 1908 include the Dun Cow pub, the Old Fire Station, and the Peacock pub. The project also features the Fire Station Auditorium, a performing arts venue located between the Empire and the Fire Station, previously the site of three car parks from demolished buildings due to bomb damage. The Auditorium opened on 10 December 2021.

The Cultural Quarter houses diverse arts and cultural spaces, forming the city's creative hub. It includes theatres, music and dance venues, cultural enterprise facilities, and education studios. Funding for Sunderland's ambitious regeneration came from various sources, starting with the Heritage Lottery Fund. Sunderland City Council and Arts Council England also contributed significantly to projects like the Fire Station and Auditorium.

Significant investment from Leighton Management, based in Sunderland, funded the initial master planning for the Quarter and provided substantial loans to the Trust. Leighton acquired the Dun Cow and Peacock pubs; their rent supports the Trust, generating extra revenue for the Fire Station and Auditorium until 2027. The main auditorium is considered one of the finest mid-sized venues in the country, with exceptional lighting, acoustics, and sightlines.

The Trust is grateful for the generous financial support from: The Garfield Weston Foundation, The Catherine Cookson Charitable Trust, The Foyle Foundation, The Esmée Fairbairn Foundation, The Sir Tom Cowie Charitable Trust, The Wolfson Foundation, The Backstage Trust, The Sir James Knott Trust, and The Gillian Dickinson Trust.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 October 2024

---

### Objectives and activities (continued)

#### 2. The Delivery, Promotion, and Support of Cultural Activities

The Trust acts as a catalyst and developer of cultural activity in Sunderland, promoting and funding key initiatives in recent years, including:

##### The Cultural Spring

Established in 2014, this project is part of the Arts Council England's Creative People and Places programme for Sunderland and South Tyneside. Initially a partnership between the Trust, Sunderland University, and the Customs House, it has since included Sangini, a multicultural women's organisation. The Trust has initiated funding and leadership of the project. The Cultural Spring has successfully hosted community initiatives and events like the Great North Passion, Rush, Summer Streets, and Inventors! Recently, it received additional funding from Arts Council England, bringing its total CPP funding to £5.5 million since 2014.

Cultural Spring collaborates with artists to offer workshops, events, and discounted tickets. Since 2014, it has engaged communities in 26 ward areas of South Tyneside and Sunderland. The project aims to foster a legacy of arts participation, enhance artistic expression, and help communities host sustainable events. Workshop activities include ceramics, guitar, crafting, photography, and more, led by professional artists in familiar local venues. Other Cultural Spring programs like 'Go and See' offer residents opportunities to experience cultural events, while 'Your Art' supports community-driven artistic ideas and events.

In September 2020, The Cultural Spring Charity was created to support The Cultural Spring project and enhance investment in arts and culture from trusts and foundations. The Trust is on the Steering Group and the Charity Board, committed to expanding The Cultural Spring's work and creating new opportunities for community engagement in arts and culture across Sunderland and South Tyneside.

##### Summer Streets

Established in 2014, the Summer Streets Festival is an annual music, arts, and community festival that takes place in Sunderland every July. Over the years, Summer Streets has hosted countless musicians, outdoor arts performers, comedians, spoken-word artists, and workshop practitioners, with artists hailing from all over the world. It is produced by one of our trustees and funded by Arts Council England and Sunderland City Council.

#### 3. The establishment of innovative governance structures

The Trust aims to deliver infrastructure and cultural activities while demonstrating strategic cultural leadership. It collaborates with Sunderland University and the City Council, both of which own significant cultural assets and recognise the benefits of collective effort. This has been a three-stage process:

##### Sunderland Cultural Partnership

This was formed in 2013, bringing together the University, Council, and Trust, working with Arts Council England and the Heritage Lottery Fund to develop the city's cultural life. It was a forum and decision-making body that galvanized activity and focused minds in a way that the city had never previously seen, and it was widely recognised for its success.

##### ***The Sunderland Cultural Strategy***

The Trust was a driving force in developing this strategy, showing a clear vision for the city's cultural development. Sponsored by the Cultural Partnership, it involved various city partners and has been described as the trigger for the Sunderland Cultural Renaissance.



# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 October 2024

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### Objectives and activities (continued)

#### Sunderland Culture Limited

Following the success of the cultural partnership model, the three key partners established Sunderland Culture Limited, a charitable trust committed to providing long-term leadership in culture and the arts within the city. Under Sunderland Culture, some of the city's key assets, including the National Glass Centre, The Museum and Winter Gardens, and the Northern Gallery for Contemporary Art, are managed strategically. As one of the three partners, the Trust has financed this initiative and will collaborate to ensure its future success. Sunderland Culture is an Arts Council England National Portfolio Organisation and a registered charity.

#### Culture Start

Culture Start is a transformative three-year initiative designed to combat the long-term effects of child poverty on children and young people in Sunderland. The project aims to reduce inequalities in cultural opportunities, thereby fostering a more equitable cultural landscape within the city.

The North East has surpassed London as one of the regions with the highest child poverty rates in the UK. In Sunderland, this rate has steadily increased in recent years and now exceeds both national and regional averages. Over 15,000 children in the city live in poverty, with some wards reporting rates above 40%. Sunderland also has the highest Red Cross Vulnerability Score in the North East, with 27% of its children residing in the country's 10% most deprived areas.

The impact of growing up in poverty are complex and long-lasting, affecting health and educational attainment. Access to cultural activities can have positive, life-changing effects in all these areas; however, those young individuals with the greatest need often have the least access. Culture Start, which commenced in 2024 and is delivered by Sunderland Culture, is a £1.5 million, three-year programme funded by a £1.2 million grant from Arts Council England and £300,000 of charitable contributions which aims to provide access to arts and cultural opportunities for children and young people from the most disadvantaged households in Sunderland. It will deliver an ambitious, high-quality creative programme, co-developed with children, young people, and city partners, to enhance reach and engagement, build confidence and skills, develop access to cultural opportunities, and embed long-term change in the policies and practices of the city's cultural organisations. The project has been developed in partnership with cultural, educational, community, and civic partners, including: the Trust, Together for Children, Children North East, Gentoo, Inspired Sunderland, North East Youth, All Together Consortium, Sunderland College and the University of Sunderland.

#### Sunderland Music City

Sunderland has undergone significant cultural renewal in the past decade. Better leadership and governance have driven infrastructure investments, positioning Sunderland as a potential global music city. The Trust believes that partnerships with other music cities worldwide can enhance the local and national music scene, fostering a legacy for future generations.

Sunderland Music City aims to ignite a vibrant creative phase in our city, focusing on three essential pillars: culture, economy, and society. Conversations with residents, musicians, educators, and audiences provided insights into desired changes and the impact of music on youth, health, social connections, the creative economy, and overall visibility. These discussions highlight three key themes of the creative pillars:

- Creativity and Talent
- Passion for Music
- Inclusivity and Civic Pride

The journey to develop Sunderland as a Music City began in 2018 with the Trust initiating discussions with the University, College, Council, and other parties in the city. There was evident enthusiasm for the initiative from all sectors, aligning with new cultural programs like 'We Make Culture' and the 'Young Musicians Project' and developing new venues, including the Fire Station and PopRecs. Although COVID-19 hindered progress, enthusiasm for the project remained strong.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 October 2024

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### Objectives and activities (continued)

In the summer of 2024 Sunderland Music City launched with an Advisory Board of local music stakeholders, including university and football club representatives, and diverse music organisations. This ensures broad representation across genres, supporting the Music Office in developing and implementing initiatives through existing networks.

Establishing a City Music Office in the Cultural Quarter and appointing two Music Officers as key contacts for musicians and industry professionals in June 2024 represented a significant step. The Music Officers enhance connections among stakeholders in the music industry, cultural sector, and community, fostering essential trust.

The Music Office audited the city's musical activities, highlighting music's vital role in the cultural landscape. Engaging with industry professionals, the evaluation showcased Sunderland's music networks and community ties. It raised awareness of sector needs and built trust among those hesitant about innovation. The Office used the audit and surveys to develop policies for Sunderland's music sector growth, implemented by community aware individuals. It will outline measurable outcomes for ongoing assessment.

The Music Office, with the Music City Advisory Board, has developed a music strategy which was publicly launched on January 21, 2025. This plan draws on successful practices from other cities, adapted for Sunderland's context. It enhances the Sunderland Cultural Partnership's strategy, the City of Culture bid, and regional initiatives. The strategy aligns efforts among local organisations like the City Council, the University, and Sunderland Music Hub. The aim is to unify these components into an inclusive strategy for all stakeholders and support a bid to become a member of the Music Cities Network.

### Achievements and performance

#### • Review of activities

2023/24 has been another exciting and successful year for the Trust with the continued success of the Fire Station Auditorium. Pub Culture Ltd delivered the programming and venue operations in the Fire Station. The Trust is pleased that the University of Sunderland continues to use the Auditorium for conferences, student performances, and lectures.

Throughout the year, the Auditorium:

- hosted 204 public ticketed shows
- sold 71,000 tickets
- achieved total ticket turnover of £1,650,000

The Auditorium has welcomed a range of performers including:

American Four Tops  
 Arab Strap  
 Ben Ottewell & Ian Ball  
 Beth Nielsen Chapman  
 Big Country  
 Brian Bilston & Henry Normal  
 Calexico  
 China Crisis  
 Chris Difford  
 Craig Charles  
 David Puttnam Chariots of Fire  
 Ed Byrne  
 Eliza Carthy & Jon Boden  
 Fairport Convention  
 Ferocious Dog  
 Focus

# **Sunderland Music, Arts and Culture Trust**

**(A company limited by guarantee)**

## **Trustees' report (continued)**

**Year ended 31 October 2024**

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### **Achievements and performance (continued)**

Inspiral Carpets  
Janey Godley  
Joanne Shaw Taylor  
John Grant  
Johnny Hates Jazz  
Karine Polwart & Dave Milligan  
Kathryn Tickell  
Kim Wilde  
Leo Sayer  
Lindisfarne  
Maximo Park  
Mica Paris  
Moya Brennan  
Mugenkyo Taiko Drummers  
National Theatre Live  
Nick Heyward  
Nick Lowe & Los Straitjackets  
Nik Kershaw  
North East Culture Awards  
Oysterband & June Tabor  
Paul Edis  
Penguin Cafe  
Peter Hook & The Light  
Ronnie Scott's All Stars  
Royal Northern Sinfonia  
Royal Philharmonic Orchestra  
Ruby Turner  
Sam Sweeney Band  
Seckou Keita  
Seth Lakeman  
Skindred  
Starsailor  
Sunderland Shorts Film Festival  
Sweet  
Teddy Thompson  
The Eveready Brass Band  
The Futureheads  
The Handsome Family  
The Lake Poets  
The Lathums  
The Pitmen Poets  
The Royal Ballet  
The Science Museum  
The Shires  
The Undertones  
Tom A. Smith  
Tom Robinson Band  
Tommy Emmanuel  
Trevor Nelson's Soul Nation  
University of Sunderland Final Showcase '24  
Vonda Shepard  
Waves Festival  
Will Young  
Various other conferences and meetings

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 October 2024

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### Achievements and performance (continued)

#### The Fire Station Studios

The first-floor dance and drama studios are leased to Musical Theatre Studio Ltd (MTS), a leading musical theatre academy in the North East. MTS students have secured places at prestigious arts schools, colleges, and universities, including ArtsEd, Mountview, and The BRIT School. The Fire Station offers MTS state-of-the-art facilities and a dedicated space for self-reflection, study, and rehearsal. The Trust is pleased that the Fire Station is filled with talented young individuals beginning their journeys into musical theatre.

The second-floor studios of the Fire Station are leased to the Northern Academy of Music Education (NAME), an independent college offering contemporary higher education programmes in modern music, in partnership with The University of Sunderland.

The BA (Hons) and MA Modern Music Industries degrees, validated by the University, provide essential skills for succeeding in the modern music industry. Taught by industry professionals, the course covers recording, marketing, event planning, composition, genre studies, and performance. Now in its fourth year, the Academy has exceeded recruitment targets and is a key partner in the city's musical education.

### Financial review

#### • Financial performance

The Trust has benefited from support from several Trusts and Foundations and personal donations from Paul Callaghan, its Chair, and other individual donors.

The Trust has incurred expenditures related to the ongoing management of the Fire Station and the delivery of the Summer Streets Festival. Given the ongoing development, the trustees are satisfied with the overall performance and year-end position.

The trust changed its management arrangements during the year where Pub Culture Limited will manage the property and will therefore be entitled to the rental income which is received.

#### • Going concern

The Trust will receive rental income in 2024/2025, as noted in the reserves policy. It continues receiving support from Leighton Management, which will inject funds as needed for at least twelve months from the signing date of these financial statements. Leighton Management will provide loan funding until the Auditorium is operational and other income sources arise. After appropriate inquiries, the trustees reasonably expect the Trust has adequate resources to maintain its operations for the foreseeable future. Thus, they continue adopting the going concern basis for the financial statements..

#### • Reserves policy

At the year end the Trust has unrestricted reserves of £10,392,336 of which £12,906,019 was tied up in fixed assets, with the deficit funded through loans. The Trust will seek to accrue reserves now the capital development phase of the Culture Quarter project is complete. It anticipates continuing to earn income from the Peacock and Dun Cow Public Houses, the Fire Station, and the Auditorium in the 2024/25 financial year. The Trust will also continue to seek other grants from charitable trusts to support its work in the future.

#### • Plans for the future

The Trust will continue collaborating with partners on the Fire Station, Culture Start, and other initiatives. Enhancing arts and culture in Sunderland is vital, and the Trust will play a significant role in this.

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# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 October 2024

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### Structure, governance and management

#### • Constitution

The Trust is registered as a charitable company limited by guarantee and was incorporated on 12 October 2012. It is a registered charity, number 1150733.

#### • The board and its members

The trustees, who are elected and co-opted under the Articles of Association, are responsible for the company's management. If necessary, new trustees are inducted.

The board has a minimum of five and a maximum of 11 members. In the 2023/24 financial year, the board had six members.

Articles provide for 'members' and 'directors,' but in practice, board members are both company directors and trustees of the trust. However, representatives of funding organisations (such as Sunderland City Council, the Heritage Lottery Fund, and Arts Council England) may also attend board meetings as observers.

#### Board composition and recruitment

Board membership reflects the diverse communities served by the Trust. In selecting its members, the board strives for gender balance and promotes an appropriate age distribution. Furthermore, the board comprises a range of relevant skills, experience, and abilities, with members contributing one or more of the following skills and expertise:

- Arts and Entertainment
- Finance/Accounting/Business
- Fundraising
- Networking
- Marketing/communications
- Digital media
- Education and training
- HR Management
- Capital projects
- Legal
- Community Representation

#### Role of the board

Board members hold both corporate and individual responsibilities under company and charity law. They govern the Trust, align its objectives with the governing document, and comply with legal guidelines. They are responsible for the Trust's success and long-term financial sustainability.

The board acts collectively and corporately, with care, diligence, and skill, in the best interests of the Trust..

#### Executive Management

This year, Trust Chief Executive Lucy Bird retired, after benefiting the Trust with her exceptional leadership. In April 2024, the Board appointed experienced arts leader Michelle Daurat as the new Chief Executive. Previously, she was Director of the Tall Ships Races in Hartlepool (2011) and Sunderland (2017), and held senior roles at the National Glass Centre. The Board is delighted to welcome her to the Trust..

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 October 2024

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### Structure, governance and management (continued)

#### • Diversity

The Trust values diversity among artists, participants, audience, and staff. It commits to a discrimination-free cultural environment where everyone is treated with respect. The trust fosters inclusivity, creating a dynamic space, valuing contributions and individuality. Its policies ensure all feel welcome and free from discrimination based on age, disability, gender, ethnicity, religion, or sexual orientation.

#### • Risk management

The trustees assessed major risks to the Trust, especially operational and financial ones, and are confident that systems are in place to mitigate these risks.

### Members' liability

The members of the trust guarantee to contribute an amount not exceeding £10 to the assets of the trust in the event of winding up.

### Statement of trustees' responsibilities

The trustees (who are also the directors of the trust 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 trust and of its incoming resources and application of resources, including its 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 trust will continue in business.

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

# **Sunderland Music, Arts and Culture Trust**

**(A company limited by guarantee)**

## **Trustees' report (continued)** **Year ended 31 October 2024**


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### **Disclosure of information to auditor**

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

- so far as that trustees are aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that trustees have 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 charity's auditor is aware of that information.

Approved by order of the members of the board of trustees on 23 June 2025 and signed on their behalf by:

DocuSigned by:  
  
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**Paul Michael Callaghan, CBE, DL, FRSA, Hon DBA**  
Chair of the board of trustees



## **Independent auditor's report to the members of Sunderland Music, Arts and Culture Trust**

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### **Opinion**

We have audited the financial statements of Sunderland Music, Arts and Culture Trust (the 'charitable company') for the year ended 31 October 2024 which comprise the statement of financial activities incorporating income and expenditure account, the balance sheet, the 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 charitable company's affairs as at 31 October 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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.

### **Conclusions relating to going concern**

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

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

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





## **Independent auditor's report to the members of Sunderland Music, Arts and Culture Trust (continued)**

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### **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 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.



## **Independent auditor's report to the members of Sunderland Music, Arts and Culture Trust (continued)**

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### **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:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the trustees and other management (as required by Auditing Standards) and from inspection of the charitable company's legal correspondence and we discussed with the trustees and other management the policies and procedures in place regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our audit team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; health and safety, employment law, data protection, environmental law and certain aspects of company legislation, recognising the nature of the charitable company's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we did not become aware of any actual or suspected non-compliance material to the financial statements.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



## Independent auditor's report to the members of Sunderland Music, Arts and Culture Trust (continued)

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### Use of our report

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

DocuSigned by:

Anne Hallowell

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**Anne Hallowell BSc FCA DChA (Senior Statutory Auditor)**

**For and on behalf of UNW LLP, Statutory Auditor**

Chartered Accountants

Newcastle upon Tyne

23 June 2025

UNW LLP are eligible to act as auditors in terms of section 12 of the Companies Act 2006.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Statement of financial activities (incorporating income and expenditure account) Year ended 31 October 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>					
Donations	4	385,452	254,333	639,785	190,408
Other activities	5	106,657	-	106,657	227,060
<b>Total income</b>		<b>492,109</b>	<b>254,333</b>	<b>746,442</b>	<b>417,468</b>
<b>Expenditure on:</b>					
Charitable activities	6	631,837	195,690	827,527	726,642
<b>Total expenditure</b>		<b>631,837</b>	<b>195,690</b>	<b>827,527</b>	<b>726,642</b>
<b>Net movement in funds</b>		<b>(139,728)</b>	<b>58,643</b>	<b>(81,085)</b>	<b>(309,174)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		10,532,064	-	10,532,064	10,841,238
Net movement in funds		(139,728)	58,643	(81,085)	(309,174)
<b>Total funds carried forward</b>		<b>10,392,336</b>	<b>58,643</b>	<b>10,450,979</b>	<b>10,532,064</b>

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

The notes on pages 19 to 32 form part of these financial statements.

# Sunderland Music, Arts and Culture Trust

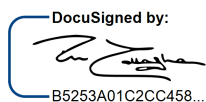
(A company limited by guarantee)

## Balance sheet At 31 October 2024

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	9	12,906,019	13,211,686
<b>Current assets</b>			
Debtors	11	78,336	123,969
Cash at bank and in hand		239,821	13,726
		<b>318,157</b>	137,695
Creditors: amounts falling due within one year	12	(368,651)	(244,680)
<b>Net current liabilities</b>		<b>(50,494)</b>	(106,985)
<b>Total assets less current liabilities</b>		<b>12,855,525</b>	13,104,701
Creditors: amounts falling due after more than one year	13	(2,404,546)	(2,572,637)
<b>Total net assets</b>		<b>10,450,979</b>	10,532,064
<b>Charity funds</b>			
Unrestricted funds	14	10,392,336	10,532,064
<b>Total funds</b>		<b>10,450,979</b>	10,532,064

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 23 June 2025 and signed on their behalf by:

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**Paul Michael Callaghan, CBE, DL, FRSA, Hon DBA**  
 Chair of the board of trustees

Company registered number: 08251877

The notes on pages 19 to 32 form part of these financial statements.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Statement of cash flows Year ended 31 October 2024

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	16	352,173	88,535
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(27,772)	(140,453)
<b>Net cash used in investing activities</b>		(27,772)	(140,453)
<b>Cash flows from financing activities</b>			
Cash inflows from new borrowing		350,000	370,000
Repayments of borrowing		(434,622)	(310,000)
Interest paid		(13,684)	-
<b>Net cash (used in)/provided by financing activities</b>		(98,306)	60,000
<b>Change in cash and cash equivalents in the year</b>		226,095	8,082
Cash and cash equivalents at the beginning of the year		13,726	5,644
<b>Cash and cash equivalents at the end of the year</b>	17	239,821	13,726

The notes on pages 19 to 32 form part of these financial statements

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

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### 1. General information

Sunderland Music, Arts and Culture Trust ('the trust') is a company limited by guarantee, incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is disclosed in the reference and administrative details page on page 1 and the principal activity is disclosed in the trustees' report on page 2.

### 2. Accounting policies

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 periods presented, unless otherwise stated.

#### 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.

The trust 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 financial statements are prepared in sterling, which is the functional currency of the charity and are rounded to the nearest £1.

#### 2.2 Going concern

Although in a net current liabilities position, the Trust expects to continue to receive rental income in 2025 and 2026 as detailed in the reserves policy in the Trustees' report on page 8. It continues to be supported by Leighton Management, which has confirmed that it will inject funds as needed for a period of at least twelve months from the date of signing these financial statements. Leighton Management will continue to provide loan funding. After making appropriate enquiries, the trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### 2.3 Income

All income is recognised once the trust 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 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.

Rental income is recognised on a straight line basis over the period of the lease.

Interest income is recognised on an accruals basis.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

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### 2. Accounting policies (continued)

#### 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.

All expenditure is accounted for on an accruals basis.

The costs of each activity are made up of the total of direct costs and support costs involved in undertaking each activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the company, including those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements.

All borrowing costs are recognised in the profit and loss account in the period in which they are incurred.

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

#### 2.5 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land and assets under construction. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Fixtures and fittings	-	25% straight line
Office equipment	-	25% straight line

#### 2.6 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.

#### 2.7 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.



# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

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### 2. Accounting policies (continued)

#### 2.8 Liabilities

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 trust 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.

#### 2.9 Pensions

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

#### 2.10 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 Trust 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 trust 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.

### 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 only estimate included within these financial statements is the depreciation charge. This is not considered to carry significant estimation uncertainty, nor to bear significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year.

In preparing these financial statements, the trustees do not consider there were any significant areas of judgment that were required in applying the charity's accounting policies as set out above.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 4. Income from donations

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	301,995	-	<b>301,995</b>
Grants	83,457	254,333	<b>337,790</b>
	<u>385,452</u>	<u>254,333</u>	<u><b>639,785</b></u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	104,410	-	104,410
Grants	-	85,998	85,998
	<u>104,410</u>	<u>85,998</u>	<u>190,408</u>

### 5. Income from other activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rental income	106,657	<b>106,657</b>	227,060

The Trust are collecting rental income on behalf of Pub Culture under the revised licence for the buildings, as an agency arrangement, with any balance due to Pub Culture being shown within creditors.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 October 2024

### 6. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £
Support for cultural activities	213,098	101,000	513,429	<b>827,527</b>

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	311,131	415,511	726,642

### Analysis of direct costs

	Charitable activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	81,660	<b>81,660</b>	39,000
Consultancy fees	17,024	<b>17,024</b>	41,550
Summer Streets Festival	94,690	<b>94,690</b>	92,360
Building management costs	-	-	20,736
Insurance	5,092	<b>5,092</b>	29,227
Utilities	10,872	<b>10,872</b>	22,699
Repairs and maintenance	2,305	<b>2,305</b>	2,559
Cleaning	(845)	<b>(845)</b>	57,708
Donations	2,300	<b>2,300</b>	5,292
	<b>213,098</b>	<b>213,098</b>	311,131

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 6. Analysis of expenditure by activities (continued)

#### Analysis of support costs

	Charitable activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	3,542	<b>3,542</b>	983
Depreciation	333,439	<b>333,439</b>	328,511
Administration	60,055	<b>60,055</b>	68,093
Interest	90,679	<b>90,679</b>	-
Auditor's remuneration for the audit of these accounts	6,900	<b>6,900</b>	6,600
Auditor's remuneration for other financial services	18,314	<b>18,314</b>	10,824
Auditor's remuneration for other assurance services	500	<b>500</b>	500
	<u>513,429</u>	<u><b>513,429</b></u>	<u>415,511</u>

### 7. Analysis of grants

	Grants to Institutions 2024 £	Total funds 2024 £	Total funds 2023 £
Grants, Charitable activities	101,000	<b>101,000</b>	-

The grants payable in the year is in relation to Culture Start grant which has been subcontracted to Sunderland Culture. This is payable over 3 years with the £101,000 relating to the current financial year.

**Sunderland Music, Arts and Culture Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**Year ended 31 October 2024**

**8. Staff costs**

	2024 £	2023 £
Wages and salaries	81,660	39,000
Social security costs	1,797	-
Contribution to defined contribution pension schemes	1,745	983
	<u>85,202</u>	<u>39,983</u>

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

	2024 No.	2023 No.
Employees	<u>2</u>	<u>1</u>

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

No trustees received any remuneration or benefits for their services to the trust, nor were any expenses reimbursed to trustees during the year (2023: £nil).

Key management personnel is considered to be both employees, whose total remuneration was £85,202 as disclosed above.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 9. Tangible fixed assets

	Assets under construction £	Land and buildings £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>					
At 1 November 2023	73,213	13,823,044	225,953	16,761	14,138,971
Additions	-	18,289	8,808	675	27,772
Transfers between classes	(73,213)	73,213	-	-	-
At 31 October 2024	-	13,914,546	234,761	17,436	14,166,743
<b>Depreciation</b>					
At 1 November 2023	-	815,129	104,133	8,023	927,285
Charge for the year	-	276,827	52,284	4,328	333,439
At 31 October 2024	-	1,091,956	156,417	12,351	1,260,724
<b>Net book value</b>					
At 31 October 2024	-	12,822,590	78,344	5,085	12,906,019
At 31 October 2023	73,213	13,007,915	121,820	8,738	13,211,686

Included in land and buildings is land with a cost of £125,726 (2023: £125,726) which is not depreciated.

### 10. Fixed asset investments

The Trust is a 33.3% member of Sunderland Culture Limited, a partnership between the trust, Sunderland City Council and Sunderland University.

The trustees do not consider the Trust to have significant influence over Sunderland Culture Limited, which is a separate registered charity, and therefore do not consider it to be an associate. Accordingly, Sunderland Culture Limited is not consolidated into the accounts of the Trust.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 11. Debtors

	2024 £	2023 £
Trade debtors	34,914	81,864
Other debtors	19,314	824
Prepayments and accrued income	24,108	41,281
	<u>78,336</u>	<u>123,969</u>

### 12. Creditors: Amounts falling due within one year

	2024 £	2023 £
Other loans	83,469	-
Trade creditors	26,782	9,724
Other taxation and social security	16,692	705
Other creditors	25,802	-
Accruals and deferred income	215,906	234,251
	<u>368,651</u>	<u>244,680</u>

	2024 £	2023 £
Resources deferred during the year	<u>5,677</u>	<u>-</u>

**Sunderland Music, Arts and Culture Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**Year ended 31 October 2024**

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**13. Creditors: amounts falling due after more than one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Loan	<b>2,404,546</b>	2,572,637

The loan, which is from Leighton Management Limited, has a term of 40 years, is unsecured, accrues interest at 3% per annum and is repayable in consecutive monthly instalments commencing in November 2020 and continuing until October 2060. In previous years Leighton Management Limited have confirmed that the scheduled payments of capital and interest had been waived, however the capital element of the loan repayments has not been waived in the current year. Leighton Management Limited have continued to waive payments of interest during the year. The total value of interest charges waived during the year was £76,995 (2023: £76,025), this has been shown been classified as donation income from Leighton Management Limited.

A new loan for £300,000 was entered into during the year with North East Social Investment fund, it has a term of 5 years, is unsecured, accrues interest at a rate 8% per annum and is repayment in consecutive monthly instalments commencing in April 2024. The total interest charge for the year was £13,684.



# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 14. Statement of funds

#### Statement of funds - current year

	Balance at 1 November 2023 £	Income £	Expenditure £	Balance at 31 October 2024 £
<b>Unrestricted funds</b>				
General funds	<u>10,532,064</u>	<u>492,109</u>	<u>(631,837)</u>	<u>10,392,336</u>
<b>Restricted funds</b>				
Grants received	-	164,074	(101,000)	63,074
Summer Streets	-	90,259	(94,690)	(4,431)
	<u>-</u>	<u>254,333</u>	<u>(195,690)</u>	<u>58,643</u>
<b>Total of funds</b>	<u><u>10,532,064</u></u>	<u><u>746,442</u></u>	<u><u>(827,527)</u></u>	<u><u>10,450,979</u></u>

#### Statement of funds - prior year

	Balance at 1 November 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 October 2023 £
<b>Unrestricted funds</b>					
General funds	<u>10,841,238</u>	<u>331,470</u>	<u>(634,282)</u>	<u>(6,362)</u>	<u>10,532,064</u>
<b>Restricted funds</b>					
Restricted funds	<u>-</u>	<u>85,998</u>	<u>(92,360)</u>	<u>6,362</u>	<u>-</u>
<b>Total of funds</b>	<u><u>10,841,238</u></u>	<u><u>417,468</u></u>	<u><u>(726,642)</u></u>	<u><u>-</u></u>	<u><u>10,532,064</u></u>

Restricted funds represent grants received for specific revenue projects, with any shortfall met from unrestricted funds.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 15. 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	12,906,019	-	<b>12,906,019</b>
Current assets	414,499	58,643	<b>473,142</b>
Creditors due within one year	(523,636)	-	<b>(523,636)</b>
Creditors due in more than one year	(2,404,546)	-	<b>(2,404,546)</b>
<b>Total</b>	<b>10,392,336</b>	<b>58,643</b>	<b>10,450,979</b>

#### Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	13,211,686	13,211,686
Current assets	137,695	137,695
Creditors due within one year	(244,680)	(244,680)
Creditors due in more than one year	(2,572,637)	(2,572,637)
<b>Total</b>	<b>10,532,064</b>	<b>10,532,064</b>

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

	2024 £	2023 £
Net expenditure for the period (as per Statement of Financial Activities)	<b>(81,085)</b>	(309,174)
<b>Adjustments for:</b>		
Depreciation charges	<b>333,439</b>	328,511
Interest paid	<b>13,684</b>	-
(Increase)/decrease in debtors	<b>(109,352)</b>	189,404
Increase/(decrease) in creditors	<b>195,487</b>	(120,206)
<b>Net cash provided by operating activities</b>	<b>352,173</b>	88,535

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 17. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	<b>239,821</b>	13,726

### 18. Analysis of changes in net debt

	At 1 November 2023 £	Cash flows £	At 31 October 2024 £
Cash at bank and in hand	13,726	226,095	239,821
Debt due within 1 year	-	(83,469)	(83,469)
Debt due after 1 year	<b>(2,572,637)</b>	<b>168,091</b>	<b>(2,404,546)</b>

### 19. Pension commitments

The Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered fund. The pension cost charge represents contributions payable by the Trust to the fund and amounted to £1,745 (2023: £983). No contributions were outstanding at the year end (2023: £nil).

### 20. Operating leases

In 2023 The Trust owned land and buildings which were rented out to a third party. At 31 October 2024 the Trust had replaced this lease with a service level arrangement with Pub Culture:

	2024 £	2023 £
Not later than 1 year	-	52,850
Later than 1 year and not later than 5 years	-	158,550
	<b>-</b>	<b>211,400</b>

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

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### 21. Related party transactions

Included within creditors are loans from Leighton Management Limited, a company wholly owned by Paul Callaghan, trustee, totalling £2,217,637 (2023: £2,580,000). During the year, the Trust paid £405,000 (2023: £nil) to Leighton Management Limited in relation to loan repayments. During the year, the Trust received £Nil (2023: £231,504) from Leighton Management in relation to recharges of costs and £Nil (2023: £75,732) was owed at the year end. Furthermore, the Trust received £76,995 (2023: £nil) in donations from Leighton Management Limited which is equivalent of the loan interest which was waived.

During the year, the Trust paid £19,137 (2023: £13,016) to Ross Millard, trustee, for his role as the artistic director of the Summer Streets Festival, a project supported by the Trust.

During the year, the Trust paid £1,624,391 (2023: £nil) to Pub Culture Ltd, a company in which Paul Callaghan, trustee, is a director, in relation to ticket sales collected on behalf of Pub Culture and £33,142 (2023: £3,627) in relation to recharged expenses. At the year end the Trust owed Pub Culture £154,985 (2023: £nil). Pub Culture paid the Trust £120,000 (2023: £nil) during the year in relation to rental costs and £320,798 (2023: £nil) in relation to recharged expenses. At the year end Pub Culture owed the Trust £174,149 (2023: £nil).

During the year, the Trust paid £nil (2023: £129,629) to Sunderland Culture Limited, a company in which the Trust is a 33.3% member, and owed £nil (2023: £nil) at the year end. During the year, Sunderland Culture Limited paid the Trust £25,167 (2023: £nil) in relation to a settlement agreement.

During the year, the Trust received £225,000 (2023: £100,000) from Paul Callaghan, trustee, in donations.

**Registered number: 08251877**  
**Charity number: 1150733**

**Sunderland Music, Arts and Culture Trust**  
**(A company limited by guarantee)**

**Annual report**

**Year ended 31 October 2024**

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

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# **Sunderland Music, Arts and Culture Trust**

**(A company limited by guarantee)**

## **Reference and administrative details**

**Year ended 31 October 2024**

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### **Trustees**

Paul Michael Callaghan, CBE, DL, FRSA, Hon DBA, Chair

John Dennis Mowbray, OBE, DL

Robert William Lawson OBE

Ross George Thomas Millard

Marie Nixon

Graeme Thompson MBE

### **Company registered number**

08251877

### **Charity registered number**

1150733

### **Registered office**

The Fire Station

High Street West

Sunderland

SR1 3HA

### **Company secretary**

Paul Callaghan

### **Independent auditor**

UNW LLP

Chartered Accountants

Citygate

St James' Boulevard

Newcastle upon Tyne

NE1 4JE

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report

Year ended 31 October 2024

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The trustees present their annual report together with the trust's audited financial statements for the year 1st November 2023 to 31st October 2024. 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 (FRS 102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the 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

#### ● Policies and objectives

Founded in 2012, the Sunderland Music, Arts, and Culture Trust ('the Trust') seeks to act as a catalyst, developer, and promoter of cultural initiatives in the city. Its goal is to unite individuals with skills, talent, and ambition who are committed to realising a vision of Sunderland as a lively, creative, and dynamic environment for arts, music, and culture to flourish.

It encourages individuals of all ages and backgrounds to engage in cultural activities, such as playing an instrument, learning to dance, act, or sing, or creating literature or poetry. It also assists in developing audiences for arts and cultural performances in Sunderland.

The Trust sees the digital revolution as an amazing opportunity, enabling new creativity and reaching wider audiences.

The Trust builds infrastructure and venues for the city's cultural renaissance and develops sector capacity.

Through a balanced, sustainable programme of high-quality art and culture, it has expanded partnerships, increased programming reach, and raised awareness. It promotes outstanding arts events that engage participants, attract diverse audiences, and enhance community well-being.

The charity's objectives are to benefit the public at large, particularly the residents of Sunderland and its surrounding areas:

1. To promote urban or rural regeneration in areas of social and economic deprivation, particularly in Sunderland and its surrounding areas, by any or all of the following means:
  - the maintenance, improvement or provision of public amenities;
  - the preservation of buildings or sites of historic or architectural importance;
  - the provision of recreational facilities for the public at large or for those who by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances have need of such facilities; and
  - such other means as the trustees may from time to time determine.



# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 October 2024

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### Objectives and activities (continued)

2. To advance the arts (including music, music theatre, drama, decorative and visual arts, dance, ballet, circus, poetry, music hall, comedy, and variety performance) and the education of the public in the arts by:
  - the establishment and maintenance of an arts venue and the presentation, production and commissioning of public concerts, plays, shows, performances and other demonstrations of the arts at the said venue and elsewhere;
  - such other means as the trustees may from time to time determine; and
  - for such other exclusively charitable purposes as the trustees may from time to time determine.

In setting objectives and planning activities, the trustees have considered the general guidance published by the Charity Commission on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

### • Activities undertaken to achieve objectives

Since it was established in 2012, the Trust has been active in the following three areas in the city of Sunderland and the wider north east region:

- a. The development of significant infrastructure projects for the arts and culture or to support arts and culture;
- b. The delivery, promotion, and support of cultural activities, events, and organisations; and
- c. The establishment of innovative governance structures in collaboration with key civic stakeholders to develop and implement a cultural strategy for the city.

#### 1. The Development of Major Infrastructure Projects Supporting Arts and Culture

The main goal of this initiative is to develop a cultural quarter in central Sunderland, significantly regenerating the Edwardian core around the Bishopwearmouth Conservation Area, near Sunderland Minster and the Sunderland Empire. Key structures built between 1901 and 1908 include the Dun Cow pub, the Old Fire Station, and the Peacock pub. The project also features the Fire Station Auditorium, a performing arts venue located between the Empire and the Fire Station, previously the site of three car parks from demolished buildings due to bomb damage. The Auditorium opened on 10 December 2021.

The Cultural Quarter houses diverse arts and cultural spaces, forming the city's creative hub. It includes theatres, music and dance venues, cultural enterprise facilities, and education studios. Funding for Sunderland's ambitious regeneration came from various sources, starting with the Heritage Lottery Fund. Sunderland City Council and Arts Council England also contributed significantly to projects like the Fire Station and Auditorium.

Significant investment from Leighton Management, based in Sunderland, funded the initial master planning for the Quarter and provided substantial loans to the Trust. Leighton acquired the Dun Cow and Peacock pubs; their rent supports the Trust, generating extra revenue for the Fire Station and Auditorium until 2027. The main auditorium is considered one of the finest mid-sized venues in the country, with exceptional lighting, acoustics, and sightlines.

The Trust is grateful for the generous financial support from: The Garfield Weston Foundation, The Catherine Cookson Charitable Trust, The Foyle Foundation, The Esmée Fairbairn Foundation, The Sir Tom Cowie Charitable Trust, The Wolfson Foundation, The Backstage Trust, The Sir James Knott Trust, and The Gillian Dickinson Trust.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 October 2024

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### Objectives and activities (continued)

#### 2. The Delivery, Promotion, and Support of Cultural Activities

The Trust acts as a catalyst and developer of cultural activity in Sunderland, promoting and funding key initiatives in recent years, including:

##### The Cultural Spring

Established in 2014, this project is part of the Arts Council England's Creative People and Places programme for Sunderland and South Tyneside. Initially a partnership between the Trust, Sunderland University, and the Customs House, it has since included Sangini, a multicultural women's organisation. The Trust has initiated funding and leadership of the project. The Cultural Spring has successfully hosted community initiatives and events like the Great North Passion, Rush, Summer Streets, and Inventors! Recently, it received additional funding from Arts Council England, bringing its total CPP funding to £5.5 million since 2014.

Cultural Spring collaborates with artists to offer workshops, events, and discounted tickets. Since 2014, it has engaged communities in 26 ward areas of South Tyneside and Sunderland. The project aims to foster a legacy of arts participation, enhance artistic expression, and help communities host sustainable events. Workshop activities include ceramics, guitar, crafting, photography, and more, led by professional artists in familiar local venues. Other Cultural Spring programs like 'Go and See' offer residents opportunities to experience cultural events, while 'Your Art' supports community-driven artistic ideas and events.

In September 2020, The Cultural Spring Charity was created to support The Cultural Spring project and enhance investment in arts and culture from trusts and foundations. The Trust is on the Steering Group and the Charity Board, committed to expanding The Cultural Spring's work and creating new opportunities for community engagement in arts and culture across Sunderland and South Tyneside.

##### Summer Streets

Established in 2014, the Summer Streets Festival is an annual music, arts, and community festival that takes place in Sunderland every July. Over the years, Summer Streets has hosted countless musicians, outdoor arts performers, comedians, spoken-word artists, and workshop practitioners, with artists hailing from all over the world. It is produced by one of our trustees and funded by Arts Council England and Sunderland City Council.

#### 3. The establishment of innovative governance structures

The Trust aims to deliver infrastructure and cultural activities while demonstrating strategic cultural leadership. It collaborates with Sunderland University and the City Council, both of which own significant cultural assets and recognise the benefits of collective effort. This has been a three-stage process:

##### Sunderland Cultural Partnership

This was formed in 2013, bringing together the University, Council, and Trust, working with Arts Council England and the Heritage Lottery Fund to develop the city's cultural life. It was a forum and decision-making body that galvanized activity and focused minds in a way that the city had never previously seen, and it was widely recognised for its success.

##### **The Sunderland Cultural Strategy**

The Trust was a driving force in developing this strategy, showing a clear vision for the city's cultural development. Sponsored by the Cultural Partnership, it involved various city partners and has been described as the trigger for the Sunderland Cultural Renaissance.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 October 2024

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### Objectives and activities (continued)

#### Sunderland Culture Limited

Following the success of the cultural partnership model, the three key partners established Sunderland Culture Limited, a charitable trust committed to providing long-term leadership in culture and the arts within the city. Under Sunderland Culture, some of the city's key assets, including the National Glass Centre, The Museum and Winter Gardens, and the Northern Gallery for Contemporary Art, are managed strategically. As one of the three partners, the Trust has financed this initiative and will collaborate to ensure its future success. Sunderland Culture is an Arts Council England National Portfolio Organisation and a registered charity.

#### Culture Start

Culture Start is a transformative three-year initiative designed to combat the long-term effects of child poverty on children and young people in Sunderland. The project aims to reduce inequalities in cultural opportunities, thereby fostering a more equitable cultural landscape within the city.

The North East has surpassed London as one of the regions with the highest child poverty rates in the UK. In Sunderland, this rate has steadily increased in recent years and now exceeds both national and regional averages. Over 15,000 children in the city live in poverty, with some wards reporting rates above 40%. Sunderland also has the highest Red Cross Vulnerability Score in the North East, with 27% of its children residing in the country's 10% most deprived areas.

The impact of growing up in poverty are complex and long-lasting, affecting health and educational attainment. Access to cultural activities can have positive, life-changing effects in all these areas; however, those young individuals with the greatest need often have the least access. Culture Start, which commenced in 2024 and is delivered by Sunderland Culture, is a £1.5 million, three-year programme funded by a £1.2 million grant from Arts Council England and £300,000 of charitable contributions which aims to provide access to arts and cultural opportunities for children and young people from the most disadvantaged households in Sunderland. It will deliver an ambitious, high-quality creative programme, co-developed with children, young people, and city partners, to enhance reach and engagement, build confidence and skills, develop access to cultural opportunities, and embed long-term change in the policies and practices of the city's cultural organisations. The project has been developed in partnership with cultural, educational, community, and civic partners, including: the Trust, Together for Children, Children North East, Gentoo, Inspired Sunderland, North East Youth, All Together Consortium, Sunderland College and the University of Sunderland.

#### Sunderland Music City

Sunderland has undergone significant cultural renewal in the past decade. Better leadership and governance have driven infrastructure investments, positioning Sunderland as a potential global music city. The Trust believes that partnerships with other music cities worldwide can enhance the local and national music scene, fostering a legacy for future generations.

Sunderland Music City aims to ignite a vibrant creative phase in our city, focusing on three essential pillars: culture, economy, and society. Conversations with residents, musicians, educators, and audiences provided insights into desired changes and the impact of music on youth, health, social connections, the creative economy, and overall visibility. These discussions highlight three key themes of the creative pillars:

- Creativity and Talent
- Passion for Music
- Inclusivity and Civic Pride

The journey to develop Sunderland as a Music City began in 2018 with the Trust initiating discussions with the University, College, Council, and other parties in the city. There was evident enthusiasm for the initiative from all sectors, aligning with new cultural programs like 'We Make Culture' and the 'Young Musicians Project' and developing new venues, including the Fire Station and PopRecs. Although COVID-19 hindered progress, enthusiasm for the project remained strong.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 October 2024

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### Objectives and activities (continued)

In the summer of 2024 Sunderland Music City launched with an Advisory Board of local music stakeholders, including university and football club representatives, and diverse music organisations. This ensures broad representation across genres, supporting the Music Office in developing and implementing initiatives through existing networks.

Establishing a City Music Office in the Cultural Quarter and appointing two Music Officers as key contacts for musicians and industry professionals in June 2024 represented a significant step. The Music Officers enhance connections among stakeholders in the music industry, cultural sector, and community, fostering essential trust.

The Music Office audited the city's musical activities, highlighting music's vital role in the cultural landscape. Engaging with industry professionals, the evaluation showcased Sunderland's music networks and community ties. It raised awareness of sector needs and built trust among those hesitant about innovation. The Office used the audit and surveys to develop policies for Sunderland's music sector growth, implemented by community aware individuals. It will outline measurable outcomes for ongoing assessment.

The Music Office, with the Music City Advisory Board, has developed a music strategy which was publicly launched on January 21, 2025. This plan draws on successful practices from other cities, adapted for Sunderland's context. It enhances the Sunderland Cultural Partnership's strategy, the City of Culture bid, and regional initiatives. The strategy aligns efforts among local organisations like the City Council, the University, and Sunderland Music Hub. The aim is to unify these components into an inclusive strategy for all stakeholders and support a bid to become a member of the Music Cities Network.

### Achievements and performance

#### ● Review of activities

2023/24 has been another exciting and successful year for the Trust with the continued success of the Fire Station Auditorium. Pub Culture Ltd delivered the programming and venue operations in the Fire Station. The Trust is pleased that the University of Sunderland continues to use the Auditorium for conferences, student performances, and lectures.

Throughout the year, the Auditorium:

- hosted 204 public ticketed shows
- sold 71,000 tickets
- achieved total ticket turnover of £1,650,000

The Auditorium has welcomed a range of performers including:

American Four Tops  
 Arab Strap  
 Ben Ottewell & Ian Ball  
 Beth Nielsen Chapman  
 Big Country  
 Brian Bilston & Henry Normal  
 Calexico  
 China Crisis  
 Chris Difford  
 Craig Charles  
 David Puttnam Chariots of Fire  
 Ed Byrne  
 Eliza Carthy & Jon Boden  
 Fairport Convention  
 Ferocious Dog  
 Focus

# **Sunderland Music, Arts and Culture Trust**

**(A company limited by guarantee)**

## **Trustees' report (continued)**

**Year ended 31 October 2024**

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### **Achievements and performance (continued)**

Inspiral Carpets  
Janey Godley  
Joanne Shaw Taylor  
John Grant  
Johnny Hates Jazz  
Karine Polwart & Dave Milligan  
Kathryn Tickell  
Kim Wilde  
Leo Sayer  
Lindisfarne  
Maximo Park  
Mica Paris  
Moya Brennan  
Mugenkyo Taiko Drummers  
National Theatre Live  
Nick Heyward  
Nick Lowe & Los Straitjackets  
Nik Kershaw  
North East Culture Awards  
Oysterband & June Tabor  
Paul Edis  
Penguin Cafe  
Peter Hook & The Light  
Ronnie Scott's All Stars  
Royal Northern Sinfonia  
Royal Philharmonic Orchestra  
Ruby Turner  
Sam Sweeney Band  
Seckou Keita  
Seth Lakeman  
Skindred  
Starsailor  
Sunderland Shorts Film Festival  
Sweet  
Teddy Thompson  
The Eveready Brass Band  
The Futureheads  
The Handsome Family  
The Lake Poets  
The Lathums  
The Pitmen Poets  
The Royal Ballet  
The Science Museum  
The Shires  
The Undertones  
Tom A. Smith  
Tom Robinson Band  
Tommy Emmanuel  
Trevor Nelson's Soul Nation  
University of Sunderland Final Showcase '24  
Vonda Shepard  
Waves Festival  
Will Young  
Various other conferences and meetings

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 October 2024

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### Achievements and performance (continued)

#### The Fire Station Studios

The first-floor dance and drama studios are leased to Musical Theatre Studio Ltd (MTS), a leading musical theatre academy in the North East. MTS students have secured places at prestigious arts schools, colleges, and universities, including ArtsEd, Mountview, and The BRIT School. The Fire Station offers MTS state-of-the-art facilities and a dedicated space for self-reflection, study, and rehearsal. The Trust is pleased that the Fire Station is filled with talented young individuals beginning their journeys into musical theatre.

The second-floor studios of the Fire Station are leased to the Northern Academy of Music Education (NAME), an independent college offering contemporary higher education programmes in modern music, in partnership with The University of Sunderland.

The BA (Hons) and MA Modern Music Industries degrees, validated by the University, provide essential skills for succeeding in the modern music industry. Taught by industry professionals, the course covers recording, marketing, event planning, composition, genre studies, and performance. Now in its fourth year, the Academy has exceeded recruitment targets and is a key partner in the city's musical education.

### Financial review

#### • Financial performance

The Trust has benefited from support from several Trusts and Foundations and personal donations from Paul Callaghan, its Chair, and other individual donors.

The Trust has incurred expenditures related to the ongoing management of the Fire Station and the delivery of the Summer Streets Festival. Given the ongoing development, the trustees are satisfied with the overall performance and year-end position.

The trust changed its management arrangements during the year where Pub Culture Limited will manage the property and will therefore be entitled to the rental income which is received.

#### • Going concern

The Trust will receive rental income in 2024/2025, as noted in the reserves policy. It continues receiving support from Leighton Management, which will inject funds as needed for at least twelve months from the signing date of these financial statements. Leighton Management will provide loan funding until the Auditorium is operational and other income sources arise. After appropriate inquiries, the trustees reasonably expect the Trust has adequate resources to maintain its operations for the foreseeable future. Thus, they continue adopting the going concern basis for the financial statements..

#### • Reserves policy

At the year end the Trust has unrestricted reserves of £10,392,336 of which £12,906,019 was tied up in fixed assets, with the deficit funded through loans. The Trust will seek to accrue reserves now the capital development phase of the Culture Quarter project is complete. It anticipates continuing to earn income from the Peacock and Dun Cow Public Houses, the Fire Station, and the Auditorium in the 2024/25 financial year. The Trust will also continue to seek other grants from charitable trusts to support its work in the future.

#### • Plans for the future

The Trust will continue collaborating with partners on the Fire Station, Culture Start, and other initiatives. Enhancing arts and culture in Sunderland is vital, and the Trust will play a significant role in this.

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# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 October 2024

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### Structure, governance and management

#### • Constitution

The Trust is registered as a charitable company limited by guarantee and was incorporated on 12 October 2012. It is a registered charity, number 1150733.

#### • The board and its members

The trustees, who are elected and co-opted under the Articles of Association, are responsible for the company's management. If necessary, new trustees are inducted.

The board has a minimum of five and a maximum of 11 members. In the 2023/24 financial year, the board had six members.

Articles provide for 'members' and 'directors,' but in practice, board members are both company directors and trustees of the trust. However, representatives of funding organisations (such as Sunderland City Council, the Heritage Lottery Fund, and Arts Council England) may also attend board meetings as observers.

#### Board composition and recruitment

Board membership reflects the diverse communities served by the Trust. In selecting its members, the board strives for gender balance and promotes an appropriate age distribution. Furthermore, the board comprises a range of relevant skills, experience, and abilities, with members contributing one or more of the following skills and expertise:

- Arts and Entertainment
- Finance/Accounting/Business
- Fundraising
- Networking
- Marketing/communications
- Digital media
- Education and training
- HR Management
- Capital projects
- Legal
- Community Representation

#### Role of the board

Board members hold both corporate and individual responsibilities under company and charity law. They govern the Trust, align its objectives with the governing document, and comply with legal guidelines. They are responsible for the Trust's success and long-term financial sustainability.

The board acts collectively and corporately, with care, diligence, and skill, in the best interests of the Trust..

#### Executive Management

This year, Trust Chief Executive Lucy Bird retired, after benefiting the Trust with her exceptional leadership. In April 2024, the Board appointed experienced arts leader Michelle Daurat as the new Chief Executive. Previously, she was Director of the Tall Ships Races in Hartlepool (2011) and Sunderland (2017), and held senior roles at the National Glass Centre. The Board is delighted to welcome her to the Trust..

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 October 2024

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### Structure, governance and management (continued)

#### • Diversity

The Trust values diversity among artists, participants, audience, and staff. It commits to a discrimination-free cultural environment where everyone is treated with respect. The trust fosters inclusivity, creating a dynamic space, valuing contributions and individuality. Its policies ensure all feel welcome and free from discrimination based on age, disability, gender, ethnicity, religion, or sexual orientation.

#### • Risk management

The trustees assessed major risks to the Trust, especially operational and financial ones, and are confident that systems are in place to mitigate these risks.

### Members' liability

The members of the trust guarantee to contribute an amount not exceeding £10 to the assets of the trust in the event of winding up.

### Statement of trustees' responsibilities

The trustees (who are also the directors of the trust 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 trust and of its incoming resources and application of resources, including its 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 trust will continue in business.

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



# **Sunderland Music, Arts and Culture Trust**

**(A company limited by guarantee)**

## **Trustees' report (continued)** **Year ended 31 October 2024**


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### **Disclosure of information to auditor**

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

- so far as that trustees are aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that trustees have 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 charity's auditor is aware of that information.

Approved by order of the members of the board of trustees on 23 June 2025 and signed on their behalf by:

DocuSigned by:  
  
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**Paul Michael Callaghan, CBE, DL, FRSA, Hon DBA**  
Chair of the board of trustees



## **Independent auditor's report to the members of Sunderland Music, Arts and Culture Trust**

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### **Opinion**

We have audited the financial statements of Sunderland Music, Arts and Culture Trust (the 'charitable company') for the year ended 31 October 2024 which comprise the statement of financial activities incorporating income and expenditure account, the balance sheet, the 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 charitable company's affairs as at 31 October 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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.

### **Conclusions relating to going concern**

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

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

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



## **Independent auditor's report to the members of Sunderland Music, Arts and Culture Trust (continued)**

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### **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 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.



## **Independent auditor's report to the members of Sunderland Music, Arts and Culture Trust (continued)**

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### **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:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the trustees and other management (as required by Auditing Standards) and from inspection of the charitable company's legal correspondence and we discussed with the trustees and other management the policies and procedures in place regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our audit team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; health and safety, employment law, data protection, environmental law and certain aspects of company legislation, recognising the nature of the charitable company's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we did not become aware of any actual or suspected non-compliance material to the financial statements.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



## **Independent auditor's report to the members of Sunderland Music, Arts and Culture Trust (continued)**

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### **Use of our report**

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

DocuSigned by:

Anne Hallowell

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**Anne Hallowell BSc FCA DChA (Senior Statutory Auditor)**

**For and on behalf of UNW LLP, Statutory Auditor**

Chartered Accountants

Newcastle upon Tyne

23 June 2025

UNW LLP are eligible to act as auditors in terms of section 12 of the Companies Act 2006.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Statement of financial activities (incorporating income and expenditure account) Year ended 31 October 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>					
Donations	4	385,452	254,333	639,785	190,408
Other activities	5	106,657	-	106,657	227,060
<b>Total income</b>		<b>492,109</b>	<b>254,333</b>	<b>746,442</b>	<b>417,468</b>
<b>Expenditure on:</b>					
Charitable activities	6	631,837	195,690	827,527	726,642
<b>Total expenditure</b>		<b>631,837</b>	<b>195,690</b>	<b>827,527</b>	<b>726,642</b>
<b>Net movement in funds</b>		<b>(139,728)</b>	<b>58,643</b>	<b>(81,085)</b>	<b>(309,174)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		10,532,064	-	10,532,064	10,841,238
Net movement in funds		(139,728)	58,643	(81,085)	(309,174)
<b>Total funds carried forward</b>		<b>10,392,336</b>	<b>58,643</b>	<b>10,450,979</b>	<b>10,532,064</b>

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

The notes on pages 19 to 32 form part of these financial statements.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

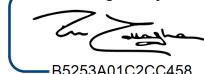
## Balance sheet At 31 October 2024

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	9	12,906,019	13,211,686
<b>Current assets</b>			
Debtors	11	78,336	123,969
Cash at bank and in hand		239,821	13,726
		<u>318,157</u>	<u>137,695</u>
Creditors: amounts falling due within one year	12	(368,651)	(244,680)
<b>Net current liabilities</b>		<u>(50,494)</u>	<u>(106,985)</u>
<b>Total assets less current liabilities</b>		<u>12,855,525</u>	<u>13,104,701</u>
Creditors: amounts falling due after more than one year	13	(2,404,546)	(2,572,637)
<b>Total net assets</b>		<u><u>10,450,979</u></u>	<u><u>10,532,064</u></u>
<b>Charity funds</b>			
Unrestricted funds	14	10,392,336	10,532,064
<b>Total funds</b>		<u><u>10,450,979</u></u>	<u><u>10,532,064</u></u>

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 23 June 2025 and signed on their behalf by:

DocuSigned by:



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**Paul Michael Callaghan, CBE, DL, FRSA, Hon DBA**  
Chair of the board of trustees

Company registered number: 08251877

The notes on pages 19 to 32 form part of these financial statements.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Statement of cash flows Year ended 31 October 2024

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	16	352,173	88,535
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(27,772)	(140,453)
<b>Net cash used in investing activities</b>		(27,772)	(140,453)
<b>Cash flows from financing activities</b>			
Cash inflows from new borrowing		350,000	370,000
Repayments of borrowing		(434,622)	(310,000)
Interest paid		(13,684)	-
<b>Net cash (used in)/provided by financing activities</b>		(98,306)	60,000
<b>Change in cash and cash equivalents in the year</b>		226,095	8,082
Cash and cash equivalents at the beginning of the year		13,726	5,644
<b>Cash and cash equivalents at the end of the year</b>	17	239,821	13,726

The notes on pages 19 to 32 form part of these financial statements



# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

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### 1. General information

Sunderland Music, Arts and Culture Trust ('the trust') is a company limited by guarantee, incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is disclosed in the reference and administrative details page on page 1 and the principal activity is disclosed in the trustees' report on page 2.

### 2. Accounting policies

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 periods presented, unless otherwise stated.

#### 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.

The trust 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 financial statements are prepared in sterling, which is the functional currency of the charity and are rounded to the nearest £1.

#### 2.2 Going concern

Although in a net current liabilities position, the Trust expects to continue to receive rental income in 2025 and 2026 as detailed in the reserves policy in the Trustees' report on page 8. It continues to be supported by Leighton Management, which has confirmed that it will inject funds as needed for a period of at least twelve months from the date of signing these financial statements. Leighton Management will continue to provide loan funding. After making appropriate enquiries, the trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### 2.3 Income

All income is recognised once the trust 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 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.

Rental income is recognised on a straight line basis over the period of the lease.

Interest income is recognised on an accruals basis.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements

### Year ended 31 October 2024

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2. Accounting policies (continued)

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.

All expenditure is accounted for on an accruals basis.

The costs of each activity are made up of the total of direct costs and support costs involved in undertaking each activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the company, including those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements.

All borrowing costs are recognised in the profit and loss account in the period in which they are incurred.

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land and assets under construction. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Fixtures and fittings	-	25% straight line
Office equipment	-	25% straight line

2.6 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.

2.7 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.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

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### 2. Accounting policies (continued)

#### 2.8 Liabilities

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 trust 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.

#### 2.9 Pensions

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

#### 2.10 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 Trust 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 trust 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.

### 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 only estimate included within these financial statements is the depreciation charge. This is not considered to carry significant estimation uncertainty, nor to bear significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year.

In preparing these financial statements, the trustees do not consider there were any significant areas of judgment that were required in applying the charity's accounting policies as set out above.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 October 2024

### 4. Income from donations

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	301,995	-	<b>301,995</b>
Grants	83,457	254,333	<b>337,790</b>
	<u>385,452</u>	<u>254,333</u>	<u><b>639,785</b></u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	104,410	-	104,410
Grants	-	85,998	85,998
	<u>104,410</u>	<u>85,998</u>	<u>190,408</u>

### 5. Income from other activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rental income	106,657	<b>106,657</b>	227,060

The Trust are collecting rental income on behalf of Pub Culture under the revised licence for the buildings, as an agency arrangement, with any balance due to Pub Culture being shown within creditors.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 October 2024

### 6. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £
Support for cultural activities	213,098	101,000	513,429	<b>827,527</b>

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	311,131	415,511	726,642

### Analysis of direct costs

	Charitable activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	81,660	<b>81,660</b>	39,000
Consultancy fees	17,024	<b>17,024</b>	41,550
Summer Streets Festival	94,690	<b>94,690</b>	92,360
Building management costs	-	-	20,736
Insurance	5,092	<b>5,092</b>	29,227
Utilities	10,872	<b>10,872</b>	22,699
Repairs and maintenance	2,305	<b>2,305</b>	2,559
Cleaning	(845)	<b>(845)</b>	57,708
Donations	2,300	<b>2,300</b>	5,292
	<b>213,098</b>	<b>213,098</b>	311,131

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 6. Analysis of expenditure by activities (continued)

#### Analysis of support costs

	<b>Charitable activities 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Staff costs	3,542	<b>3,542</b>	983
Depreciation	333,439	<b>333,439</b>	328,511
Administration	60,055	<b>60,055</b>	68,093
Interest	90,679	<b>90,679</b>	-
Auditor's remuneration for the audit of these accounts	6,900	<b>6,900</b>	6,600
Auditor's remuneration for other financial services	18,314	<b>18,314</b>	10,824
Auditor's remuneration for other assurance services	500	<b>500</b>	500
	<u>513,429</u>	<u><b>513,429</b></u>	<u>415,511</u>

### 7. Analysis of grants

	<b>Grants to Institutions 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Grants, Charitable activities	101,000	<b>101,000</b>	-

The grants payable in the year is in relation to Culture Start grant which has been subcontracted to Sunderland Culture. This is payable over 3 years with the £101,000 relating to the current financial year.

**Sunderland Music, Arts and Culture Trust**  
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**Notes to the financial statements**  
**Year ended 31 October 2024**

**8. Staff costs**

	2024 £	2023 £
Wages and salaries	81,660	39,000
Social security costs	1,797	-
Contribution to defined contribution pension schemes	1,745	983
	<u>85,202</u>	<u>39,983</u>

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

	2024 No.	2023 No.
Employees	<u>2</u>	<u>1</u>

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

No trustees received any remuneration or benefits for their services to the trust, nor were any expenses reimbursed to trustees during the year (2023: £nil).

Key management personnel is considered to be both employees, whose total remuneration was £85,202 as disclosed above.

# Sunderland Music, Arts and Culture Trust

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 October 2024

### 9. Tangible fixed assets

	Assets under construction £	Land and buildings £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>					
At 1 November 2023	73,213	13,823,044	225,953	16,761	14,138,971
Additions	-	18,289	8,808	675	27,772
Transfers between classes	(73,213)	73,213	-	-	-
At 31 October 2024	-	13,914,546	234,761	17,436	14,166,743
<b>Depreciation</b>					
At 1 November 2023	-	815,129	104,133	8,023	927,285
Charge for the year	-	276,827	52,284	4,328	333,439
At 31 October 2024	-	1,091,956	156,417	12,351	1,260,724
<b>Net book value</b>					
At 31 October 2024	-	12,822,590	78,344	5,085	12,906,019
At 31 October 2023	73,213	13,007,915	121,820	8,738	13,211,686

Included in land and buildings is land with a cost of £125,726 (2023: £125,726) which is not depreciated.

### 10. Fixed asset investments

The Trust is a 33.3% member of Sunderland Culture Limited, a partnership between the trust, Sunderland City Council and Sunderland University.

The trustees do not consider the Trust to have significant influence over Sunderland Culture Limited, which is a separate registered charity, and therefore do not consider it to be an associate. Accordingly, Sunderland Culture Limited is not consolidated into the accounts of the Trust.



# Sunderland Music, Arts and Culture Trust

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## Notes to the financial statements Year ended 31 October 2024

### 11. Debtors

	2024 £	2023 £
Trade debtors	34,914	81,864
Other debtors	19,314	824
Prepayments and accrued income	24,108	41,281
	<u>78,336</u>	<u>123,969</u>

### 12. Creditors: Amounts falling due within one year

	2024 £	2023 £
Other loans	83,469	-
Trade creditors	26,782	9,724
Other taxation and social security	16,692	705
Other creditors	25,802	-
Accruals and deferred income	215,906	234,251
	<u>368,651</u>	<u>244,680</u>

	2024 £	2023 £
Resources deferred during the year	<u>5,677</u>	<u>-</u>

**Sunderland Music, Arts and Culture Trust**  
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**Notes to the financial statements**  
**Year ended 31 October 2024**

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**13. Creditors: amounts falling due after more than one year**

	2024	2023
	£	£
Loan	<u>2,404,546</u>	<u>2,572,637</u>

The loan, which is from Leighton Management Limited, has a term of 40 years, is unsecured, accrues interest at 3% per annum and is repayable in consecutive monthly instalments commencing in November 2020 and continuing until October 2060. In previous years Leighton Management Limited have confirmed that the scheduled payments of capital and interest had been waived, however the capital element of the loan repayments has not been waived in the current year. Leighton Management Limited have continued to waive payments of interest during the year. The total value of interest charges waived during the year was £76,995 (2023: £76,025), this has been shown been classified as donation income from Leighton Management Limited.

A new loan for £300,000 was entered into during the year with North East Social Investment fund, it has a term of 5 years, is unsecured, accrues interest at a rate 8% per annum and is repayment in consecutive monthly instalments commencing in April 2024. The total interest charge for the year was £13,684.

# Sunderland Music, Arts and Culture Trust

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## Notes to the financial statements Year ended 31 October 2024

### 14. Statement of funds

#### Statement of funds - current year

	Balance at 1 November 2023 £	Income £	Expenditure £	Balance at 31 October 2024 £
<b>Unrestricted funds</b>				
General funds	<u>10,532,064</u>	<u>492,109</u>	<u>(631,837)</u>	<u>10,392,336</u>
<b>Restricted funds</b>				
Grants received	-	164,074	(101,000)	63,074
Summer Streets	-	90,259	(94,690)	(4,431)
	<u>-</u>	<u>254,333</u>	<u>(195,690)</u>	<u>58,643</u>
<b>Total of funds</b>	<u><u>10,532,064</u></u>	<u><u>746,442</u></u>	<u><u>(827,527)</u></u>	<u><u>10,450,979</u></u>

#### Statement of funds - prior year

	Balance at 1 November 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 October 2023 £
<b>Unrestricted funds</b>					
General funds	<u>10,841,238</u>	<u>331,470</u>	<u>(634,282)</u>	<u>(6,362)</u>	<u>10,532,064</u>
<b>Restricted funds</b>					
Restricted funds	<u>-</u>	<u>85,998</u>	<u>(92,360)</u>	<u>6,362</u>	<u>-</u>
<b>Total of funds</b>	<u><u>10,841,238</u></u>	<u><u>417,468</u></u>	<u><u>(726,642)</u></u>	<u><u>-</u></u>	<u><u>10,532,064</u></u>

Restricted funds represent grants received for specific revenue projects, with any shortfall met from unrestricted funds.

# Sunderland Music, Arts and Culture Trust

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## Notes to the financial statements Year ended 31 October 2024

### 15. 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	12,906,019	-	<b>12,906,019</b>
Current assets	414,499	58,643	<b>473,142</b>
Creditors due within one year	(523,636)	-	<b>(523,636)</b>
Creditors due in more than one year	(2,404,546)	-	<b>(2,404,546)</b>
<b>Total</b>	<b>10,392,336</b>	<b>58,643</b>	<b>10,450,979</b>

#### Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	13,211,686	13,211,686
Current assets	137,695	137,695
Creditors due within one year	(244,680)	(244,680)
Creditors due in more than one year	(2,572,637)	(2,572,637)
<b>Total</b>	<b>10,532,064</b>	<b>10,532,064</b>

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

	2024 £	2023 £
Net expenditure for the period (as per Statement of Financial Activities)	<b>(81,085)</b>	(309,174)
<b>Adjustments for:</b>		
Depreciation charges	<b>333,439</b>	328,511
Interest paid	<b>13,684</b>	-
(Increase)/decrease in debtors	<b>(109,352)</b>	189,404
Increase/(decrease) in creditors	<b>195,487</b>	(120,206)
<b>Net cash provided by operating activities</b>	<b>352,173</b>	88,535

# Sunderland Music, Arts and Culture Trust

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## Notes to the financial statements Year ended 31 October 2024

### 17. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	<b>239,821</b>	13,726

### 18. Analysis of changes in net debt

	At 1 November 2023 £	Cash flows £	At 31 October 2024 £
Cash at bank and in hand	13,726	226,095	239,821
Debt due within 1 year	-	(83,469)	(83,469)
Debt due after 1 year	<b>(2,572,637)</b>	<b>168,091</b>	<b>(2,404,546)</b>

### 19. Pension commitments

The Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered fund. The pension cost charge represents contributions payable by the Trust to the fund and amounted to £1,745 (2023: £983). No contributions were outstanding at the year end (2023: £nil).

### 20. Operating leases

In 2023 The Trust owned land and buildings which were rented out to a third party. At 31 October 2024 the Trust had replaced this lease with a service level arrangement with Pub Culture:

	2024 £	2023 £
Not later than 1 year	-	52,850
Later than 1 year and not later than 5 years	-	158,550
	<b>-</b>	<b>211,400</b>

# Sunderland Music, Arts and Culture Trust

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## Notes to the financial statements Year ended 31 October 2024

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### 21. Related party transactions

Included within creditors are loans from Leighton Management Limited, a company wholly owned by Paul Callaghan, trustee, totalling £2,217,637 (2023: £2,580,000). During the year, the Trust paid £405,000 (2023: £nil) to Leighton Management Limited in relation to loan repayments. During the year, the Trust received £Nil (2023: £231,504) from Leighton Management in relation to recharges of costs and £Nil (2023: £75,732) was owed at the year end. Furthermore, the Trust received £76,995 (2023: £nil) in donations from Leighton Management Limited which is equivalent of the loan interest which was waived.

During the year, the Trust paid £19,137 (2023: £13,016) to Ross Millard, trustee, for his role as the artistic director of the Summer Streets Festival, a project supported by the Trust.

During the year, the Trust paid £1,624,391 (2023: £nil) to Pub Culture Ltd, a company in which Paul Callaghan, trustee, is a director, in relation to ticket sales collected on behalf of Pub Culture and £33,142 (2023: £3,627) in relation to recharged expenses. At the year end the Trust owed Pub Culture £154,985 (2023: £nil). Pub Culture paid the Trust £120,000 (2023: £nil) during the year in relation to rental costs and £320,798 (2023: £nil) in relation to recharged expenses. At the year end Pub Culture owed the Trust £174,149 (2023: £nil).

During the year, the Trust paid £nil (2023: £129,629) to Sunderland Culture Limited, a company in which the Trust is a 33.3% member, and owed £nil (2023: £nil) at the year end. During the year, Sunderland Culture Limited paid the Trust £25,167 (2023: £nil) in relation to a settlement agreement.

During the year, the Trust received £225,000 (2023: £100,000) from Paul Callaghan, trustee, in donations.