

Company registration number: 08329205

Charity registration number: 1167258

BACKLIT LTD

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Community Accounting Plus
Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

BACKLIT LTD

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BACKLIT LTD

Reference and Administrative Details

Trustees	Philip Brooks-Stephenson, Chair Ashley Gallant, Vice Chair Matt Hall Laura-Jade Vaughan Laura Feltham Daniel Poole Craig Chettle Alexander Jovicic-Sas Susan Anderson
Secretary	Alexander Jovicic-Sas
Senior Management Team	Matthew Chesney, Director Suzanne Golden, Deputy Director
Charity Registration Number	1167258
Company Registration Number	08329205
Registered Office	Alfred House Ashley Street Nottingham Nottinghamshire NG3 1JG
Independent Examiner	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL

BACKLIT LTD

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2022.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

Philip Brooks-Stephenson, Chair

Ashley Gallant, Vice Chair

Matt Hall

Laura-Jade Vaughan

Laura Feltham

Daniel Poole

Craig Chettle

Alexander Jovicic-Sas

Susan Anderson

Andrea Dowdie (resigned 15 December 2021)

Mark Rawlinson (resigned 15 December 2021)

Structure, governance and management

Nature of governing document

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 12 December 2012 and most recently amended 12 May 2016. It has no share capital and the liability of each member in the event of winding-up is limited to £1.

Recruitment and appointment of trustees

The charity identifies the need for new trustees. This is due to vacancies that have arisen through resignations, or it may be that existing trustees have decided that one or more new trustees with specific skills are needed to help run the charity more effectively.

The trustees agree what skills, experience and knowledge are needed. The senior management team write this down in the form of a short job description and person specification.

The trustees agree responsibilities and a process for recruitment and ensure that the charity comply with the specific requirements set out in its governing document.

The trustees consider the best methods of attracting a diverse range of candidates with the skills the charity needs. This includes advertising in the local and/or specialist press and using trustee networks. Short-listing and interviews take place against agreed criteria. Interviews are carried out by a small panel of trustees, and each candidate is asked similar questions to ensure a fair and objective approach. Notes are kept of each interview.

Preferred candidates are identified and invited to join the trustees, subject to references, formal vetting and approval by the full trustee board.

BACKLIT LTD

Trustees' Report

Objectives and activities

Objects and aims

To advance education in the fields of visual, creative and applied arts by the establishment and maintenance of an art gallery and in particular the provision of studios and galleries where art may be practised, created and exhibited and public exhibitions of art for the benefit of the public.

Objectives, strategies and activities

- To provide an accessible public programme of exhibitions, talks and events for diverse audiences. To provide a professional platform for new and emerging artists, offering associate membership and affordable studio and exhibition space (50 in total) with the offer of supporting creative skills development.
- To offer a broad range of art forms and workshops (extending to performing arts, new media, screenings) as well as a curatorial experimentation space for under/postgraduates and local practitioners.
- To expand current audiences and access to local talent, through delivery of a professional arts and learning programme of collaborations between local, national and international artists.
- Inviting artists to explore, collaborate and respond to the local heritage of NG3 and beyond via research, exhibitions and events.
- To be an arts, community and local resource for artists, audiences and hard to reach groups.

Public benefit

- To provide an accessible public programme of exhibitions, talks and events for diverse audiences.
- To work closely with the local residents and community groups of Nottingham City, and the East side areas of St Ann's and Sneinton (Creative Quarter).
- To work in partnership with the universities and cultural partners to embed public workshops, critical debate and networking, creating a legacy to programme events. This provides a wider opportunity for public debate, broadens our audiences / participants and encourages graduates to become resident studio members at BACKLIT.
- To manage a volunteer and internship programme providing vocational experience and first-hand experience in the arts field. We aim to attract a wide range of people from different backgrounds and different ages, the majority of which would not otherwise get the opportunity.
- Regional recent graduates and emerging artists make up the majority of BACKLIT's audiences and participants, BACKLIT being a venue that offers continued learning and new experiences.
- To provide creative activities for younger people to engage with the arts.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

COVID

The public programme was temporarily closed throughout 2020 and BACKLIT reopened its public programme and gallery spaces in June 2021.

This was made possible through funding from the Cultural Recovery Fund part 2 which allowed BACKLIT to invest in a digital infrastructure, a new website and artist workshops.

BACKLIT LTD

Trustees' Report

PUBLIC PROGRAMME

Visual Arts Programme

Share Bears 11 June - 5 July 2021

Public exhibition presenting 14 collaborations (28 artists) from BACKLIT members made during lockdown providing insight into the creative community, collaboration, and resilience of the practitioners.

'Are You Even Listening?' Jan - July 2021

Podcast series led by Jazz Swali in a collaboration with University of Nottingham.

Are You Even Listening? is a young people-led podcast series that platforms marginalised perspectives, individual experiences, and opinions on issues spanning the complex socio-political spectrum. This podcast is supported by BACKLIT Gallery and the Department of Cultural, Media, and Visual Studies at the University of Nottingham.

<https://podcasts.apple.com/gb/podcast/are-you-even-listening/id1569984251>

'The Reality is that These Things Need to be Said', 6 August - 29 August 2021

An exhibition that celebrates Black female and queer practitioners which highlights identity in modern day Britain and recent social movements regarding equality and race relations.

REMARK (Art Review Project), until end of August 2021

This project has been a great success in collaboration with ArtReview, University of Nottingham, Nottingham Trent University. The final workshop will take place on 23rd June. The newsletters will continue until end of August when funding ends.

Neelum Aftab - Culture and Identity, Friday 3 Sep - Sunday 12 Sep

Series of painting and drawing workshops for South Asian Women, resulting in a two-weekend exhibition. Very successful, all participants want to continue working with BACKLIT and Neelum, we are keen to continue. We are working with Mansfield College who employ Neelum as a tutor, they want to pay Neelum to continue the workshops here as a Mansfield College Course. We are just confirming the space and time for delivery of this.

'Environment Agency (EA) Project 'Regulated Exhibition', 1 October - 5 December 2021.

BACKLIT presented an exhibition by artist Joshua Sofaer in partnership with the Environment Agency. This interdisciplinary exhibition, brought art and environment together to trigger some critical discussions about the impact of plastic waste.

'Regulated Exhibition' saw BACKLIT Gallery transformed into a 'factory' where the public dropped off plastics in the Depot (recycling drop off point in the gallery) which was sorted and accepted by young people known as "Science Communicators". Throughout the exhibition, the Environment Agency (EA) regulated the processes undertaken and provided an insight into their work. There was also a film produced which followed the day in the life of someone from the Environment Agency and how they regulate and manage waste.

LEARNING PROGRAMME

Art + Feminism (renamed the Lumina Collective)

Lumina Collective (previously Art & Feminism Group): They produced the 'Late Night with Lumina' event at Nottingham Castle in October. Members of the group developed a range of participatory activities that were inspired by women artists within Nottingham Castle's collection and the female figures that have been connected to the castle's history. The event took place in the Art Gallery space (previously known as the Long Gallery).

BACKLIT LTD

Trustees' Report

Pending Collective (Young People's Collective)

Meetings resumed face to face from July 2021, and continued as whole day sessions. They had 2 artist workshops with BACKLIT members. They took part in Green Hustle on King Edwards Park with their allotment.

Family Activity

Light night featured an evening of family workshops where children and adults made glow in the dark artworks and exhibited them in the gallery.

School Partnerships

BACKLIT initiated some great connections with local schools in Nottingham to deliver a series of workshops and education around plastic use and waste as part of our regulated exhibition project.

VOLUNTEER / INTERN PROGRAMME

Had to be placed on hold throughout the pandemic.

EDI

Assistant Curator / equality and inclusion coordinator has developed the equality and Inclusion policy and action plan. We have supported them with BACKLIT own funds from September 2021 - March 2022 due to being unsuccessful in supporting their role from funders.

We worked with Shelley McDonald to develop and present a mental health and wellbeing artist toolkit resource for members. She met with BACKLIT artists and a group to identify needs and support required before presenting a report. This was supported by the CRF2.

Based on feedback from members and staff, Shelley MacDonald (Mental Health Specialist) has produced the first draft of the Mental Health and Wellbeing toolkit.

HR/ RECRUITMENT

BACKLIT employed a business and finance coordinator from April - July 2021 to support with the use of bookkeeping and the accounts.

The Gallery and Building Facilitator role was funded previously by the CRF 1 but now is being supported by BACKLIT's reserves and income generation from Private Hire.

The marketing role was unfilled from January 2021.

BOARD

BACKLIT's business plan was redeveloped with support from BOARD members to develop a 5 year plan for the organisation. BACKLIT's financial activity and reporting was enhanced and reviewed by BACKLIT Treasurer.

STUDIOS

The studios are currently full throughout this reporting period. The MFA Exhibition continued to rent a large portion of the basement studios which cost over £12,894K per annum. This was settled in June 2022 for the period September 2021 - July 2022. Studio spaces were mostly maintained and a waiting list is ongoing.

BACKLIT LTD

Trustees' Report

Funded Space Programme

Sophie Goodchild took part in a funded placement with kind support from the funded studio residency patron.

Artist Development

A bespoke artist development programme was delivered to support members through challenging times. These included how to promote and profile themselves and develop online platforms and ways to fundraise to support their practice.

PRIVATE HIRE

After receiving no Private Hire income, BACKLIT relaunched its hire programme on 19th July 2021. BACKLIT recruited a professional consultant from July - December 2021 to join the team to review and implement a new hire scheme.

The project gallery space was hired between September 2021 - January 2022 by LeftBank pictures.

Silk to Silicon 25 Feb - 27 March

The debut solo show of contemporary artist and designer, Sebastian Koseda, bringing together moving image, woven textiles, and graphic design to spotlight the tensions between automation, craftspeople, and workers over the last two centuries and into tomorrow. The title of the exhibition references the pioneering period from the introduction of automatic silk weaving looms, through to the rise of IBM computer punch cards and the development of the silicon chip - setting the stage for the crypto-mining, drone-delivering, data-harvesting, all consuming, digital world we occupy today. Supported by ACE and developed by kitmapper in London.

FUNDING

BACKLIT were successful with the Cultural Recovery 2 funds £27,465 awarded end of March 2021. We are in the process of applying to the Architectural Heritage Funds for a further £7K towards a fundraising consultant and legal costs, in respect of the building purchase.

Consultants were paid to deliver a pre-acquisition survey and valuation. This money was spent and then recouped once we provide a proof of expenditure and grant claim to AHF.

BACKLIT were successful in a grant for fundraising consultancy (towards the building purchase) and legal fees for £6,480 from Architectural Heritage Fund. We have recruited Focus Consultants to support with funding reports.

BACKLIT were successful with the Arts Council grant for the Environment Agency of £20,725 (Feb 2021) which was delivered over this financial period.

DIGITAL

Development of a new Website and member platform made possible due to CRF2 funding. BACKLIT worked with Kind / Future Friendly Ltd to build and develop this new site.

BACKLIT LTD

Trustees' Report

Financial review

BACKLIT is pleased that it has managed to further build reserves by £11k in the year, in line with the reserves policy. The Director and Deputy Director focused to secure match funding and investments for projects to ensure that targets were met despite the pandemic.

Financial Viability

At the end of this financial year (21/22) BACKLIT currently has a significant level of reserves. We have designated a portion of these funds towards the costs of the building purchase, we have explained this to our Arts Council Relationship Manager and they felt this was sensible.

Financial Monitoring

We have continued working with CA Plus (Community Accounting Plus) to help with accountancy software support (Quickbooks) and a bookkeeper who has advised on best practice and reporting. A reserves policy was introduced during 19/20 which is reviewed and supported by the Board throughout 21/22.

Policy on reserves

BACKLIT set a target in 2019 to establish a modest financial reserve of unrestricted funds equivalent to three months' total expenditure. This money is set aside in order to cater for contingencies. The trustees will regularly review the level of reserves as part of their finance discussion at board meetings, ensuring that current financial circumstances and any other relevant factors are taken into account. BACKLIT is committed to continually raising funds in order to maintain the agreed level of reserves namely BACKLIT's policy to have unrestricted funds to support 3 months' operating costs.

Principal risks and uncertainties

Financial risks

FUTURE OF TENANCY WITH NOTTINGHAM CITY COUNCIL

Nottingham City Council have spent some time reviewing BACKLIT's offer to purchase their premises since April 2020. There have been ongoing concerns raised on the security of tenure in the premises of Alfred House following conversations with the landlord (Nottingham City Council).

An offer was made in February 2021, and purchase price was agreed in the year. We have had no update in this financial period despite investing £14K on reports, surveys and consultation from the AHF. We need to continue to offer affordable artist studios, a public gallery and community space and without the building, this would raise considerable financial risks to our future sustainability and operation. NCC were disposing of property and raised concern that Alfred House would be sold on the market. This puts BACKLIT's future in jeopardy so we will continue conversation to ensure BACKLIT can proceed with the purchase.

BACKLIT LTD

Trustees' Report

Statement of Trustees' Responsibilities

The trustees (who are also the directors of BACKLIT LTD for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company 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:

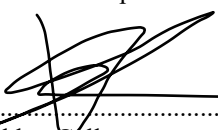
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed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

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

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on03/11/22..... and signed on its behalf by:


.....
Ashley Gallant
Trustee

BACKLIT LTD

Independent Examiner's Report to the trustees of BACKLIT LTD

Independent examiner's report to the trustees of BACKLIT LTD ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member and Fellow of the Association of Charity Independent Examiners, which is one of the listed bodies.

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

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

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



John O'Brien MSc, FCCA, FCIE, employee of Community Accounting Plus
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

Date: 03/11/2022

BACKLIT LTD

Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Donations and legacies	2	2,360	-	2,360	60,785
Charitable activities	3	94,461	153,946	248,407	204,577
Investment income	5	-	-	-	3
Total income		<u>96,821</u>	<u>153,946</u>	<u>250,767</u>	<u>265,365</u>
Expenditure on:					
Charitable activities	6	<u>(81,923)</u>	<u>(160,744)</u>	<u>(242,667)</u>	<u>(157,451)</u>
Total expenditure		<u>(81,923)</u>	<u>(160,744)</u>	<u>(242,667)</u>	<u>(157,451)</u>
Net income/(expenditure)		14,898	(6,798)	8,100	107,914
Transfers between funds		<u>43,456</u>	<u>(43,456)</u>	<u>-</u>	<u>-</u>
Net movement in funds		58,354	(50,254)	8,100	107,914
Reconciliation of funds					
Total funds brought forward		<u>106,303</u>	<u>88,724</u>	<u>195,027</u>	<u>87,113</u>
Total funds carried forward	21	<u><u>164,657</u></u>	<u><u>38,470</u></u>	<u><u>203,127</u></u>	<u><u>195,027</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for the period is shown in note 21.

The notes on pages 13 to 23 form an integral part of these financial statements.

BACKLIT LTD

Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

These are the figures for the previous accounting period and are included for comparative purposes

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	2	60,785	-	60,785
Charitable activities	3	46,823	157,754	204,577
Investment income	5	3	-	3
Total income		<u>107,611</u>	<u>157,754</u>	<u>265,365</u>
Expenditure on:				
Charitable activities	6	<u>(69,698)</u>	<u>(87,753)</u>	<u>(157,451)</u>
Total expenditure		<u>(69,698)</u>	<u>(87,753)</u>	<u>(157,451)</u>
Net income		37,913	70,001	107,914
Transfers between funds		<u>(1,040)</u>	<u>1,040</u>	<u>-</u>
Net movement in funds		36,873	71,041	107,914
Reconciliation of funds				
Total funds brought forward		<u>69,430</u>	<u>17,683</u>	<u>87,113</u>
Total funds carried forward	21	<u><u>106,303</u></u>	<u><u>88,724</u></u>	<u><u>195,027</u></u>

The notes on pages 13 to 23 form an integral part of these financial statements.

BACKLIT LTD

(Registration number: 08329205) Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	30,339	32,196
Current assets			
Debtors	16	45,253	16,658
Cash at bank and in hand	17	137,791	155,945
		183,044	172,603
Creditors: Amounts falling due within one year	18	(10,256)	(9,772)
Net current assets		172,788	162,831
Net assets		203,127	195,027
Funds of the charity:			
Restricted income funds			
Restricted funds	21	38,470	88,724
Unrestricted income funds			
Unrestricted funds		164,657	106,303
Total funds	21	203,127	195,027

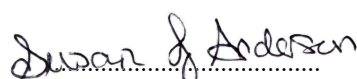
For the financial year ending 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 10 to 23 were approved by the trustees, and authorised for issue on03/11/22. and signed on their behalf by:


Susan Anderson
Trustee

The notes on pages 13 to 23 form an integral part of these financial statements.

BACKLIT LTD

Notes to the Financial Statements for the Year Ended 31 March 2022

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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

Basis of preparation

BACKLIT LTD 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 notes.

Going concern

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

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Exemption from preparing a cash flow statement

The charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

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

BACKLIT LTD

Notes to the Financial Statements for the Year Ended 31 March 2022

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

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

Charitable activities

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

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

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

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Amortisation

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

Asset class	Amortisation method and rate
Digital assets	20% on cost

Depreciation and amortisation

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

BACKLIT LTD

Notes to the Financial Statements for the Year Ended 31 March 2022

Asset class	Depreciation method and rate
Fixtures & fittings	20% reducing balance
Leasehold improvements	straight line over the remaining time of the lease
Office equipment	25% reducing balance

Trade debtors

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

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

Cash and cash equivalents

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

Fund structure

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

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

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. Pension costs charges in the Statement of Financial Activities represent the contributions payable by the charity during the year.

2 Income from donations and legacies

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Donations and legacies;			
Donations from companies, trusts and similar proceeds	2,360	2,360	17,340
Grants, including capital grants;			
Government grants	-	-	43,445
	<u>2,360</u>	<u>2,360</u>	<u>60,785</u>

BACKLIT LTD

Notes to the Financial Statements for the Year Ended 31 March 2022

3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Grants & donations	-	142,256	142,256	151,214
Rent & studio hire	71,478	800	72,278	45,358
Other income	250	1,480	1,730	310
Partner income	1,620	9,410	11,030	6,450
Events & subscriptions	1,441	-	1,441	1,155
Creative industry tax relief	19,672	-	19,672	-
	<u>94,461</u>	<u>153,946</u>	<u>248,407</u>	<u>204,487</u>

4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
Arts Council	-	126,877	126,877
The Architectural Heritage Fund	-	7,216	7,216
The Mighty Creatives	-	7,163	7,163
The Arnold Clark Community Fund	-	1,000	1,000
Sundry donations	2,360	-	2,360
	<u>2,360</u>	<u>142,256</u>	<u>144,616</u>

5 Investment income

	Total 2022 £	Total 2021 £
Interest receivable and similar income;		
Interest receivable on bank deposits	<u>-</u>	<u>3</u>

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Notes to the Financial Statements for the Year Ended 31 March 2022

6 Expenditure on charitable activities

	Unrestricted General funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Exhibition & event costs	2,431	30,522	32,953	5,791
Premises costs	53,569	4,494	58,063	52,682
Communication costs	1,248	8,207	9,455	1,395
Travel	398	234	632	20
Accountancy	2,231	-	2,231	1,207
Consultancy	1,021	7,401	8,422	2,452
Bank charges	91	-	91	154
Sundry	233	162	395	172
Depreciation	1,857	-	1,857	1,951
Insurance	1,899	-	1,899	2,335
Advertising & promotion	125	178	303	49
Legal & professional fees	-	-	-	4,584
Office equipment, expenses & stationery	776	22	798	754
Payroll fees	982	-	982	824
Subscriptions	878	29	907	734
Salaries, NI & pension	11,759	88,795	100,554	78,207
Freelance & work placements	2,282	19,036	21,318	4,035
Training	143	1,664	1,807	105
	<u>81,923</u>	<u>160,744</u>	<u>242,667</u>	<u>157,451</u>

7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Depreciation of fixed assets	<u>1,857</u>	<u>1,951</u>

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Notes to the Financial Statements for the Year Ended 31 March 2022

8 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	99,330	77,289
Social security costs	67	-
Pension costs	1,157	918
	<u>100,554</u>	<u>78,207</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2022 No	2021 No
Average number of employees	<u>8</u>	<u>6</u>

5 (2021 - 4) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £1,157 (2021 - £918).

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

The total employee benefits of the key management personnel of the charity were £36,626 (2021 - £33,547).

9 Trustees remuneration and expenses

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

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

10 Related party transactions

There were no related party transactions in the year.

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Notes to the Financial Statements for the Year Ended 31 March 2022

11 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner are analysed as follows:

	2022 £	2021 £
Independent examination	875	850
Other financial services	1,702	1,897
	<u>2,577</u>	<u>2,747</u>

12 Charity status

The charity is a company limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

14 Intangible fixed assets

	Digital assets £	Total £
Cost		
At 1 April 2021	<u>14,955</u>	<u>14,955</u>
At 31 March 2022	<u>14,955</u>	<u>14,955</u>
Amortisation		
At 1 April 2021	<u>14,955</u>	<u>14,955</u>
At 31 March 2022	<u>14,955</u>	<u>14,955</u>
Net book value		
At 31 March 2022	<u>-</u>	<u>-</u>
At 31 March 2021	<u>-</u>	<u>-</u>

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Notes to the Financial Statements for the Year Ended 31 March 2022

15 Tangible fixed assets

	Fixtures & fittings £	Office equipment £	Lease improvements £	Total £
Cost				
At 1 April 2021	3,849	3,401	33,869	41,119
At 31 March 2022	3,849	3,401	33,869	41,119
Depreciation				
At 1 April 2021	3,163	2,681	3,079	8,923
Charge for the year	137	180	1,540	1,857
At 31 March 2022	3,300	2,861	4,619	10,780
Net book value				
At 31 March 2022	549	540	29,250	30,339
At 31 March 2021	686	720	30,790	32,196

16 Debtors

	2022 £	2021 £
Trade debtors	20,109	1,745
Prepayments	1,872	4,234
Other debtors	23,272	10,679
	45,253	16,658

17 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	108	240
Cash at bank	137,683	155,705
	137,791	155,945

18 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	1,948	1,839
Accruals	1,816	1,441
Deferred income	6,492	6,492
	10,256	9,772

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Notes to the Financial Statements for the Year Ended 31 March 2022

19 Obligations under leases and hire purchase contracts

Operating lease commitments

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

	2022 £	2021 £
Land and buildings		
Within one year	16,500	16,500
Between one and five years	37,200	51,600
After five years	144,150	153,450
	<u>197,850</u>	<u>221,550</u>

20 Analysis of net assets between funds

	Unrestricted			2022 Total funds £
	General £	Designated £	Restricted £	
Tangible fixed assets	30,339	-	-	30,339
Current assets	44,574	100,000	38,470	183,044
Current liabilities	(10,256)	-	-	(10,256)
Total net assets	<u>64,657</u>	<u>100,000</u>	<u>38,470</u>	<u>203,127</u>
	Unrestricted			2021 Total funds £
	General £		Restricted £	
Tangible fixed assets	32,196		-	32,196
Current assets	83,879		88,724	172,603
Current liabilities	(9,772)		-	(9,772)
Total net assets	<u>106,303</u>		<u>88,724</u>	<u>195,027</u>

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Notes to the Financial Statements for the Year Ended 31 March 2022

21 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds					
<i>General</i>					
General fund	106,303	96,821	(81,923)	(56,544)	64,657
<i>Designated</i>					
Purchase of Alfred House	-	-	-	100,000	100,000
Total unrestricted funds	<u>106,303</u>	<u>96,821</u>	<u>(81,923)</u>	<u>43,456</u>	<u>164,657</u>
Restricted funds					
Arts Council	19,171	76,380	(70,091)	-	25,460
AHF	-	7,216	(7,396)	180	-
Cultural Recovery Fund P1	52,141	-	(5,720)	(46,421)	-
Pending Collective	6,648	-	(5,837)	-	811
The Asylum Project	5,924	-	(1,229)	-	4,695
Jazz Swali Equality & Inclusion	4,840	1,360	(6,361)	161	-
Cultural Recovery Fund P2	-	27,475	(28,889)	1,414	-
Environmental	-	26,022	(27,232)	1,210	-
Kickstarter	-	7,163	(5,259)	-	1,904
REMARK	-	1,480	(1,000)	-	480
NTU and UoN Creative placement	-	1,600	(12)	-	1,588
Silk to Silicon	-	5,250	(1,718)	-	3,532
Total restricted funds	<u>88,724</u>	<u>153,946</u>	<u>(160,744)</u>	<u>(43,456)</u>	<u>38,470</u>
Total funds	<u>195,027</u>	<u>250,767</u>	<u>(242,667)</u>	<u>-</u>	<u>203,127</u>

The transfer from the General fund to the Purchase of Alfred House fund is to designate this amount towards a deposit for the purchase of Alfred House.

The transfer from the General fund to the Jazz Swali Equality & Inclusion, AHF, Cultural Recovery Fund P2 and Environmental funds is to cover the deficit on these activities.

The transfer from the Cultural Recovery Fund P1 fund to the General fund relates to activities which have ceased, and the release of any restrictions on the use of these funds.

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Notes to the Financial Statements for the Year Ended 31 March 2022

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

Arts Council - the main focus of this project is to develop the artistic and learning programme to collaborate with highly reputable and influential artists, with an intention to provide opportunities for cross working with local artists and communities with a related theme; this enabled us to explore the location and therefore relevance to local audiences. In order to achieve this, we identified a number of areas we wanted to further support, research, monitor and develop, this included growing and professionally supporting the studio and associate artists, reviewing and securing staff roles and responsibilities, mapping, recording and archiving good practice.

Pending Collective - to support workshops and programming.

The Asylum Project - to explore heritage research with community and local artists.

Cultural Recovery Fund P1 & P2 - funding to support the impact of the Covid 19 pandemic.

Jazz Swali Equality & Inclusion - Jazz Swali was recruited as a Equality and Diversity Coordinator in January 2020. The Big House CDI grant, through the University, provided 20% grant funding towards the cost of BACKLIT employing a graduate for up to one year.

Environmental - BACKLIT presented an exhibition by artist Joshua Sofaer in partnership with the Environment Agency. This interdisciplinary exhibition, brought art and environment together to trigger some critical discussions about the impact of plastic waste.

Silk to Silicon - The debut solo show of contemporary artist and designer, Sebastian Koseda, bringing together moving image, woven textiles, and graphic design to spotlight the tensions between automation, craftspeople, and workers over the last two centuries and into tomorrow.

These are the figures for the previous accounting period and are included for comparative purposes

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
<i>General</i>					
General fund	69,430	107,611	(69,698)	(1,040)	106,303
Restricted					
Arts Council	-	76,380	(57,209)	-	19,171
AHF	-	5,184	(5,184)	-	-
Cultural Recovery Fund P1	-	54,950	(2,809)	-	52,141
Pending Collective	7,923	-	(1,275)	-	6,648
The Asylum Project	9,760	-	(3,836)	-	5,924
HLF Emergency	-	14,700	(15,740)	1,040	-
Jazz Swali Equality & Inclusion	-	6,540	(1,700)	-	4,840
Total restricted funds	<u>17,683</u>	<u>157,754</u>	<u>(87,753)</u>	<u>1,040</u>	<u>88,724</u>
Total funds	<u><u>87,113</u></u>	<u><u>265,365</u></u>	<u><u>(157,451)</u></u>	<u><u>-</u></u>	<u><u>195,027</u></u>