



THE ARTS CHARITY AT DEAN CLOUGH

FINANCIAL STATEMENTS

31 DECEMBER 2021

CHARITY REGISTRATION NUMBER: 1170751



Spenser Wilson
Chartered Accountants & Business Advisers

THE ARTS CHARITY AT DEAN CLOUGH

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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THE ARTS CHARITY AT DEAN CLOUGH

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	The Arts Charity at Dean Clough
Charity registration number	1170751
Principal office	Dean Clough Halifax West Yorkshire HX3 5AX
Trustees	Mr R Standen Mr B Burton Mrs A D Cormac Mrs S C Holdsworth Dr W R Lawrence
Executive Director	Mr V Allen
Finance Officer	Mrs L Cooper
Independent examiner	Andrea Kennedy BFP FCA FCCA ATT(Fellow) Spenser Wilson Ltd Equitable House 55 Pellon Lane Halifax West Yorkshire HX1 5SP
Bankers	Handelsbanken Ground Floor Fearnley Mill Dean Clough Old Lane Halifax West Yorkshire HX3 5AX
Solicitors	Wrigleys Solicitors LLP 19 Cookridge Street Leeds West Yorkshire LS2 3AG

THE ARTS CHARITY AT DEAN CLOUGH

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity was formed under the Charities Act 2011, Charitable Incorporated Organisation Foundation Model, on 14 December 2016.

The management of the charity is carried out by the officers.

Recruitment and appointment of trustees

Apart from the first charity trustees, every trustee must be appointed by a resolution passed at a properly convened meeting of the charity trustees.

The trustees must have regard to the skills, knowledge and experience needed for the effective administration of the Charitable Incorporated Organisation (CIO).

Trustee Induction and training

Induction and training are provided as required depending on the role to be undertaken and the skills of the trustee.

Risk Management

The Management Committee has conducted a review of the major risks to which the charity is exposed. Where appropriate, systems and/or procedures have been established to mitigate the risks the charity faces. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff and volunteers.

OBJECTIVES AND ACTIVITIES

The objects of the CIO are to advance for the public benefit such exclusively charitable purposes (according to the laws of England and Wales) as the charity trustees see fit from time to time including (but without limiting the generality of the foregoing):

1. The advancement of the arts, in particular (but not exclusively):
 - a. By the staging of public exhibitions and arts events in order to develop public appreciation of the arts and to improve public access to the arts; and
 - b. By the provision of studio and workshop spaces to encourage and support the practice of the arts in various forms.
2. The advancement of education, in particular (but not exclusively), through the development and promotion of educational arts programmes for the public.

THE ARTS CHARITY AT DEAN CLOUGH

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE

Pandemic measures overshadowed all of ACDC's activities during 2021. The UK government intention to remove social restrictions between March and late June was not achieved. In particular a new variant of the Covid virus meant that gatherings were variously outlawed well into the Autumn, which impacted on ACDC's ability to both install and open exhibitions or to support performance or educational events.

Nevertheless, the Executive Director took his last Furlough Payment in April and the Dean Clough Galleries opened in May with the end-of-year shows by Calderdale College. For the first time this included the College's drama and performance faculties along with the arts faculty.

The receipt of £50,000 in 2020 from the Arts Council's Covid Recovery Fund (CRF-1) enabled the subsequent re-launch in 2021 of the Lost Worker's Archive by the renowned Belgian artist Christian Boltanski. This important heritage display duly featured in Channel 5's 'Made in Yorkshire' programme and is now a permanent exhibit having been decimated by floods some five years ago.

CRF-1 funding also enabled the opening in June of 'Showcase'. This large, selling exhibition was designed to support some 100 regional artists as they emerged from lockdown. While it was successfully 'delivered' the lingering social restrictions meant it received poor publicity and visitor numbers.

Only by November did visitor numbers start to pick up for the annual show by Manchester Academy of Fine Art and (in December/January) for Alan Gummerson's retrospective. The latter was, in fact, probably the most successfully received exhibition ACDC has had. ACDC's intervention here not only prevented Alan's work being posthumously destroyed but has played a key part in re-establishing his reputation.

The Alan Gummerson show was partially enabled by a second application in the Autumn to the Arts Council for £19,300 from the Covid Recovery Fund (CRF-2). This coincided with the resurgence of funding from Dean Clough Ltd. which, together with an unexpected income boost from gallery sales, left the Charity in an ostensibly healthy fiscal state by the year end.

The problems of working under lockdown meant that ACDC could not exploit the educational opportunities offered by the Jute Shed. The building was 're-acquired' by Dean Clough Ltd. at the year end for a commercial client. The impact of Covid on the property market placed further pressures on Dean Clough Ltd. that have meant plans for a carpet weaving museum (in association with the Calderdale Industrial Museum Association) have been shelved.

Plans to raise studio rents were delayed over lockdown but finally initiated in September. The ultimate intention of this is to fund investment in the fabric of ACDC's tenanted spaces. However, the gallivanting pace of building inflation (which has continued into 2022) made it impossible to make any headway on either neglected maintenance (e.g. The 'broken door' in Fletcher's Mill); vandalism (e.g. smashed windows in the Stable Yard), or planned development (e.g. installation of a ring main in Mill House). As an indication of the problem, a pre-Covid quote to develop a new studio at the back of Fletcher's Mill had risen from just over £4,000 to nearly £11,000 at the end of 2021.

More positively the year ended with the restoration of several regular, educational events (writing groups, Open College of the Arts etc.) and group meetings (Yorkshire Sculptors Group, The Orion Choir etc.). ACDC assisted Dean Clough Ltd. in producing a number of leaflet 'trails'; continued its liaison with the Halifax Piece Hall (notably touring Alice Irwin's sculptures to Cornwall), and initiated the location at Dean Clough of an arts-based educational facility run by PINC College for people with neurodivergent issues.

THE ARTS CHARITY AT DEAN CLOUGH

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW

During the year expenditure exceeded income by £16,531 (2020 - £35,596 surplus). The officers consider the charity to be in a good financial position.

GOING CONCERN

We have recently been advised of a major cut in funding from Dean Clough Ltd. and the reality is that by 2024 we will in all probability need to substantially review our funding model. While we have enjoyed recent success with project funding, we have yet to succeed with any capital funding schemes. As is well-known, maintenance and energy costs are currently spiralling out of control and the immediate challenges for the charity are to contain costs while devising additional income streams. The only consolation is that we are not alone in this basic endeavour.

RESERVES AND FUNDS

The charity holds reserves, which, it is felt, are adequate to cover its present and future requirements. Reserves at the year end were £34,879 (2020 - £51,410).

INVESTMENT POLICY

The charity drew up an investment policy that called for fiscal reserves to be sufficient to sustain the organisation for three months in the event of a sudden withdrawal of funds. In 2018 this implied securely invested reserves to the amount of £13,000. This policy was not enacted and was deferred until the Charity had achieved operating funds of some £18,000 between fiscal quarters.

PUBLIC BENEFIT

The Trustees confirm that they have complied with their duty to have due regard for the Charity Commission's general guidance on public benefit, 'Charities and public benefit'.

RESPONSIBILITIES OF THE TRUSTEES

The charity's trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable 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 charity and the income and expenditure of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;

THE ARTS CHARITY AT DEAN CLOUGH

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2021

RESPONSIBILITIES OF THE TRUSTEES *(continued)*

- state whether applicable accounting standards 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PLANS FOR FUTURE PERIODS

Many of ACDC's aspirations remain as stated in its 2019, 'pre-Covid' report, namely:

- The continuation and development of the gallery programme at Dean Clough Mills.
- The upgrading and extension of the Artist Studios at Dean Clough Mills.
- The development of Mill House as a vibrant, artistic studio and event space.
- The development of Fletcher's Mill as a studio, workshop and event space through a mix of grant and revenue income.

Given that Dean Clough's commercial development of the Jute Shed has (a/o Sept 2022) proved unsuccessful ACDC could yet return to our aspirations for developing the Jute Shed as a major sculptural institution. In the light of an outstanding £3.2m bid to the Office for Students, we could also add to this list our aspirations to convert the ground floor of Dean Clough's E-Mill into a regionally significant HE and FE arts resource.

The trustees' annual report was approved on 28 September 2022 and signed on behalf of the board of trustees by:

Mr R Standen
Trustee

THE ARTS CHARITY AT DEAN CLOUGH

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE ARTS CHARITY AT DEAN CLOUGH

YEAR ENDED 31 DECEMBER 2021

I report to the trustees on my examination of the financial statements of The Arts Charity at Dean Clough ('the charity') for the year ended 31 December 2021.

RESPONSIBILITIES AND BASIS OF REPORT

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

INDEPENDENT EXAMINER'S STATEMENT

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Andrea Kennedy BFP FCA FCCA ATT(Fellow)

Independent Examiner

Equitable House
55 Pellon Lane
Halifax
West Yorkshire
HX1 5SP

28 September 2022

THE ARTS CHARITY AT DEAN CLOUGH

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2021

			2021		2020
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	43,550	18,539	62,089	118,100
Charitable activities	5	25,240	–	25,240	21,215
Other trading activities	6	3,104	–	3,104	484
Other income	7	661	–	661	–
Total income		<u>72,555</u>	<u>18,539</u>	<u>91,094</u>	<u>139,799</u>
Expenditure					
Expenditure on charitable activities	8,9	44,086	63,539	107,625	104,203
Total expenditure		<u>44,086</u>	<u>63,539</u>	<u>107,625</u>	<u>104,203</u>
Net (expenditure)/income and net movement in funds		<u>28,469</u>	<u>(45,000)</u>	<u>(16,531)</u>	<u>35,596</u>
Reconciliation of funds					
Total funds brought forward		6,125	45,285	51,410	15,814
Total funds carried forward		<u>34,594</u>	<u>285</u>	<u>34,879</u>	<u>51,410</u>

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

The notes on pages 9 to 19 form part of these financial statements.

THE ARTS CHARITY AT DEAN CLOUGH

STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2021

		2021	2020
	Note	£	£
FIXED ASSETS			
Tangible fixed assets	15	1,516	1,452
CURRENT ASSETS			
Debtors	16	14,441	3,604
Cash at bank and in hand		52,313	57,564
		<u>66,754</u>	<u>61,168</u>
CREDITORS: amounts falling due within one year	17	<u>33,391</u>	<u>11,210</u>
NET CURRENT ASSETS		<u>33,363</u>	<u>49,958</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>34,879</u>	<u>51,410</u>
NET ASSETS		<u><u>34,879</u></u>	<u><u>51,410</u></u>
FUNDS OF THE CHARITY			
Restricted funds		285	45,285
Unrestricted funds		34,594	6,125
Total charity funds	20	<u><u>34,879</u></u>	<u><u>51,410</u></u>

These financial statements were approved by the board of trustees and authorised for issue on 28 September 2022, and are signed on behalf of the board by:

Mr R Standen
Trustee

The notes on pages 9 to 19 form part of these financial statements.

THE ARTS CHARITY AT DEAN CLOUGH

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

1. GENERAL INFORMATION

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Dean Clough, Halifax, West Yorkshire, HX3 5AX.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

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

There are not considered to be any judgements or accounting estimates or assumptions that have a significant impact on the financial statements.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

THE ARTS CHARITY AT DEAN CLOUGH

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

3. ACCOUNTING POLICIES *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

THE ARTS CHARITY AT DEAN CLOUGH

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

3. ACCOUNTING POLICIES *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Short leasehold property	- 5 years straight line
Fixtures and fittings	- 10 years straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

THE ARTS CHARITY AT DEAN CLOUGH

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

3. ACCOUNTING POLICIES *(continued)*

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants receivable relating to Covid-19 are accounted for under the accrual method and recognised immediately as income in the Statement of Income and Retained Earnings. Where applied for and received these grants include payments under the Coronavirus Job Retention Scheme (furlough payments), Small Business Grant and interest paid by the Government during the first 12 months of Bounce Bank Loans.

Grants relating to assets are recognised in income on a systematic basis 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 and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

THE ARTS CHARITY AT DEAN CLOUGH

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

3. ACCOUNTING POLICIES *(continued)*

Defined contribution plans *(continued)*

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	Total funds 2021 £
DONATIONS			
Dean Clough	12,400	–	12,400
GRANTS			
Government grant income	31,150	18,539	49,689
	<u>43,550</u>	<u>18,539</u>	<u>62,089</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
DONATIONS			
Dean Clough	49,967	–	49,967
GRANTS			
Government grant income	23,133	45,000	68,133
	<u>73,100</u>	<u>45,000</u>	<u>118,100</u>

5. CHARITABLE ACTIVITIES

	Unrestricted funds £	Total funds 2021 £	Unrestricted funds £	Total funds 2020 £
Income for studio hire	<u>25,240</u>	<u>25,240</u>	<u>21,215</u>	<u>21,215</u>

6. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Total funds 2021 £	Unrestricted funds £	Total funds 2020 £
Commission paid to Artists	<u>3,104</u>	<u>3,104</u>	<u>484</u>	<u>484</u>

THE ARTS CHARITY AT DEAN CLOUGH

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

7. OTHER INCOME

	Unrestricted funds £	Total funds 2021 £	Unrestricted funds £	Total funds 2020 £
Other income	661	661	—	—

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted funds £	Restricted funds £	Total funds 2021 £
Gallery and studio costs	1,207	15,846	17,053
Support costs	42,879	47,693	90,572
	<u>44,086</u>	<u>63,539</u>	<u>107,625</u>

	Unrestricted funds £	Restricted funds £	Total funds 2020 £
Gallery and studio costs	10,080	194	10,274
Support costs	93,929	—	93,929
	<u>104,009</u>	<u>194</u>	<u>104,203</u>

9. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total funds 2020 £
Gallery and studio costs	17,053	87,391	104,444	102,292
Governance costs	—	3,181	3,181	1,911
	<u>17,053</u>	<u>90,572</u>	<u>107,625</u>	<u>104,203</u>

THE ARTS CHARITY AT DEAN CLOUGH

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

10. ANALYSIS OF SUPPORT COSTS

	Analysis of support costs	Total 2021	Total 2020
	£	£	£
Staff costs	39,549	39,549	37,225
Premises	27,832	27,832	33,834
Communications and IT	1,288	1,288	1,622
General office	1,849	1,849	1,078
Subscriptions	20	20	–
Insurance	8,844	8,844	7,360
Repairs & maintenance	720	720	2,721
Advertising	1,284	1,284	2,517
Health and safety expenses	153	153	398
Printing and stationery	372	372	515
Cleaning	4,963	4,963	4,230
Bank interest and charges	517	517	518
Accountancy	1,350	1,350	1,307
Professional fees	1,831	1,831	604
	<u>90,572</u>	<u>90,572</u>	<u>93,929</u>

11. NET (EXPENDITURE)/INCOME

Net (expenditure)/income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	<u>571</u>	<u>524</u>

12. INDEPENDENT EXAMINATION FEES

	2021	2020
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	1,350	1,307
Other assurance services	315	–
	<u>1,665</u>	<u>1,307</u>

THE ARTS CHARITY AT DEAN CLOUGH

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

13. STAFF COSTS

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

	2021	2020
	£	£
Wages and salaries	39,383	37,000
Social security costs	–	225
Employer contributions to pension plans	166	–
	<u>39,549</u>	<u>37,225</u>

The average head count of employees during the year was 2 (2020: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Number of staff	<u>2</u>	<u>2</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

14. TRUSTEE REMUNERATION AND EXPENSES

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

15. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2021	2,289	201	2,490
Additions	–	635	635
At 31 December 2021	<u>2,289</u>	<u>836</u>	<u>3,125</u>
Depreciation			
At 1 January 2021	1,008	30	1,038
Charge for the year	504	67	571
At 31 December 2021	<u>1,512</u>	<u>97</u>	<u>1,609</u>
Carrying amount			
At 31 December 2021	<u>777</u>	<u>739</u>	<u>1,516</u>
At 31 December 2020	<u>1,281</u>	<u>171</u>	<u>1,452</u>

THE ARTS CHARITY AT DEAN CLOUGH

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

16. DEBTORS

	2021	2020
	£	£
Trade debtors	3,125	133
Prepayments and accrued income	11,307	3,462
Other debtors	9	9
	<u>14,441</u>	<u>3,604</u>

17. CREDITORS: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	27,310	5,391
Accruals and deferred income	3,458	1,978
Social security and other taxes	2,153	3,371
Other creditors	470	470
	<u>33,391</u>	<u>11,210</u>

18. PENSIONS AND OTHER POST RETIREMENT BENEFITS

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £166 (2020: £Nil).

19. GOVERNMENT GRANTS

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in income from donations and legacies:		
Government grants income	<u>49,689</u>	<u>68,133</u>

20. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	At 1 January 2021	Income	Expenditure	At 31 December 2021
	£	£	£	£
General funds	<u>6,125</u>	<u>72,555</u>	<u>(44,086)</u>	<u>34,594</u>

	At 1 January 2020	Income	Expenditure	At 31 December 2020
	£	£	£	£
General funds	<u>15,335</u>	<u>94,799</u>	<u>(104,009)</u>	<u>6,125</u>

THE ARTS CHARITY AT DEAN CLOUGH

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

20. ANALYSIS OF CHARITABLE FUNDS *(continued)*

Restricted funds

	At 1 January 2021	Income	Expenditure	At 31 December 2021
	£	£	£	£
Chord	285	–	–	285
Cultural Regeneration Fund	45,000	18,539	(63,539)	–
	<u>45,285</u>	<u>18,539</u>	<u>(63,539)</u>	<u>285</u>

	At 1 January 2020	Income	Expenditure	At 31 December 2020
	£	£	£	£
Chord	479	–	(194)	285
Cultural Regeneration Fund	–	45,000	–	45,000
	<u>479</u>	<u>45,000</u>	<u>(194)</u>	<u>45,285</u>

£50,000 grant awarded by the Department for Culture, Media and Sport (DCMS) Cultural Regeneration Fund (CRF) was part of a scheme financed by the DCMS by the Arts Council. The grant payments are made in two tranches, the 1st payment is 90% (£45,000) of the grant amount and the second payment is 10% (£5,000) of the grant amount to be paid after the monitoring report has been completed.

The terms of the grant required the monies to be spent over a six month period from 1 October 2020 to 31 March 2021, in accordance with specific tasks relating to the gallery exhibitions, although the terms also included designated salary payments, maintenance costs and service charges. These terms were additionally amended so as to allow for a re-inflation of the charity's reserves to cover a subsequent three month period. DCMS extended the deadline by which the fund monies could be spent from 31 March 2021 to 30 June 2021.

A further £19,342 grant was awarded by the DCMS as part of its CRF Continuity scheme which covers the period from 1 October 2021 to 31 March 2022. An amount of £13,539 was received during the year and the remainder of the grant amount was paid after the monitoring report was completed in 2022.

THE ARTS CHARITY AT DEAN CLOUGH

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	1,516	–	1,516
Current assets	66,469	285	66,754
Creditors less than 1 year	(33,391)	–	(33,391)
Net assets	<u>34,594</u>	<u>285</u>	<u>34,879</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	1,452	–	1,452
Current assets	15,883	45,285	61,168
Creditors less than 1 year	(11,210)	–	(11,210)
Net assets	<u>6,125</u>	<u>45,285</u>	<u>51,410</u>

THE ARTS CHARITY AT DEAN CLOUGH
MANAGEMENT INFORMATION
YEAR ENDED 31 DECEMBER 2021

The following pages do not form part of the financial statements.

THE ARTS CHARITY AT DEAN CLOUGH
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Income and endowments		
Donations and legacies		
Dean Clough	12,400	49,967
Government grant income	49,689	68,133
	<u>62,089</u>	<u>118,100</u>
 Charitable activities		
Income for studio hire	25,240	21,215
	<u>25,240</u>	<u>21,215</u>
 Other trading activities		
Commission paid to Artists	3,104	484
	<u>3,104</u>	<u>484</u>
 Other income		
Other income	661	—
	<u>661</u>	<u>—</u>
 Total income	<u><u>91,094</u></u>	<u><u>139,799</u></u>

THE ARTS CHARITY AT DEAN CLOUGH

NOTES TO THE DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Expenditure on charitable activities		
Gallery and studio costs		
<i>Activities undertaken directly</i>		
Light & heat	3,086	2,825
Depreciation	571	524
Transport costs	952	817
Gallery technician	4,122	1,540
Gallery co-ordinator	4,380	4,005
Hospitality	554	563
Gallery materials and equipment	3,388	—
	<u>17,053</u>	<u>10,274</u>
<i>Support costs</i>		
Wages/salaries	39,383	37,000
Employer's NIC	—	225
Pension costs	166	—
Rent & service charges	11,918	16,039
Rates & water	556	873
Light & heat	15,358	16,922
Repairs & maintenance	720	2,721
Insurance	8,844	7,360
Computer expenses	458	752
Cleaning	4,963	4,230
Telephone	797	870
Bank interest and charges	517	518
Other office costs	1,849	1,078
Advertising	1,284	2,517
Health & safety expenses	153	398
Printing & stationery	372	515
Bad debts	53	—
	<u>87,391</u>	<u>92,018</u>
Governance costs		
Accountancy fees	1,350	1,307
Legal and other professional fees	915	604
Consultancy	916	—
	<u>3,181</u>	<u>1,911</u>
Expenditure on charitable activities	<u><u>107,625</u></u>	<u><u>104,203</u></u>