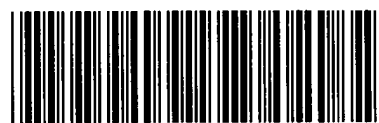


SKIMSTONE ARTS
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2021

Charity Number 1182284
Company Number 06261728

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Skimstone Arts Governance Report and Accounts 2020/21

Skimstone Arts

Skimstone Arts Annual Report and Accounts April 2020 - March 2021

Skimstone Arts works with diverse artists and those at risk of isolation, to create work with, for and about the world that matters to them

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Reference and administrative details

Charity number: 1182284

Company number: 06261728

Registered office and principal address:

Skimstone Studios 2nd Floor, i4 Quayside, Albion Row, Newcastle upon Tyne NE1 6QE

Independent Examiners: Connected Voice

Bankers: The Co-operative Bank

Our Trustees

For the purposes of the Companies Act 2006, the Board of Trustees is the Board of Directors of the charitable company and is referred to as "the Trustees" throughout this report.

The Trustees of Skimstone Arts during the year and to signing this report are as follows:

Wendy Scott - Chair

Sarah Drummond - Vice Chair

Carol Candler - Secretary

Garry Robson

Rebecca Wilkie

Katherine Dixon – Treasurer

Liadi Mudashiru - appointed June 2021

Chair's Introduction

Wendy Scott Chair, Skimstone Arts

In the context of the Coronavirus pandemic of which 2020/21 will long be associated, the cultural and arts sector experienced dramatic fallout, particularly for the many freelancers and self-employed practitioners. The precariousness of the sector was laid bare. It has been a challenging year for society and for us all on so many levels.

Through this last year, Skimstone Arts has remained strong, true to its core values and has quite literally been a lifeline for so many people who experience social isolation, now more than ever. We have continued to create the phenomenal projects in this report which connect people, communities and artists and our organisation has grown. We have successfully attracted significant funding to steer us through recovery and ensure the freelance members of our creative team continue with the vital co-creative work that is Skimstone Arts.

We developed a new 'business as usual' way of working and serving through the pandemic conditions. We drew on our collective resilience and innovation from our management and key staff and artists, and harnessed digital resources and technology to expand our outreach at the most challenging time in living memory. We ensured we continued to explore the changing world that matters to our at-risk communities.

We heartily thank all our funders for their recognition of our value to our beneficiaries, for funders' resources and their belief in our ability to overcome the challenges to deliver.

At a time when it has been hard to be together and celebrate our work in person, we have produced two projects that for me have encapsulated this year of human-digital adaptation to isolation and creativity, and have orbited Skimstone Arts into two new and exciting territories.

UNITY Festival online encompassed the connection we craved and the solace we received from nature and our environment and married them with the arts. In the eye of COP26, the UN Climate Change Conference, and in the context of a climate emergency, UNITY is an accumulation of many strands of work that can be explored and expanded.

The other project is Skimstone Radio online which has been the perfect way of bringing our work into homes and community spaces to reach people who would enjoy, benefit and be inspired to start their artistic journey. This gives us a platform that raises awareness of our work and grows new listeners and audiences in the North East, the UK and internationally.

What we hear loud and clear from people is the enormous value and impact our work has. We know there is substantial evidence to support this in the lived experiences and testimonies we have included in this year's report.

Our work — the Arts — drives creativity and expression to support wellbeing and skills progression. But it is the making of quality artwork itself that we nurture. Through a co-created model, we are supporting the artists and creative practitioners of the future.

We provide the conditions for this to happen, we have the privilege of experiencing their development and growth and then we support them to take off and create their own projects and opportunities. The work they go on to produce is the legacy of Skimstone Arts.

Trustees' Report For the year ended 31 March 2021

Structure, governance and management Skimstone Arts is a company limited by guarantee (registered number 06261728) and a registered charity (registered number 1182284) and is governed by its memorandum and articles of association.

Skimstone Arts is directed by a board of seven Trustees who are responsible for ensuring that the organisation meets all its statutory, contractual and social obligations.

Our beneficiaries are all of the individuals and communities we work with to co-create artistic work.

Governance

In the period covered by this report, Skimstone Arts had six Trustees. Trustees take decisions collectively. They meet formally every quarter for full board meetings at which they review activities, finances, company performance, business management, public benefit, and the voluntary input of Trustees.

The Board also holds an Annual General Meeting, typically in September, where we celebrate and showcase our collaborative work with our artists, beneficiaries, funders and invited guests. Our annual meeting in 2020 took place compliantly as a live Zoom video meeting online.

Between March and September 2020, the Board met virtually every month by video meeting to monitor operational and artistic risks and the changing societal needs presented by the Coronavirus pandemic.

The board assimilates updates to the Charity Governance Code. We have sub-groups for Trustees on fundraising, finance, risk management, and for trustee succession and board development. We have no committees which take decisions on behalf of the full board. The rules for the authority and delegation of the Trustees is set in our governing document, as is the scope of our sub-committees.

Appointment and induction of Trustees

In March and April 2020 Trustees conducted a governance mapping exercise which was integrated with our Theory of Change plan and identified four areas of knowledge and experience which we seek to develop. In October 2021 the Board welcomed a new trustee in line with these aims. Liadi Mudashiru was appointed June 2021. The Board hopes to conduct another round of trustee recruitment by March 2022.

Historically Trustees were recruited and appointed to the Board based on outreach discussions and shortlisted recommendations offered by Trustees and external advisors to the organisation. Going forward, Skimstone Arts is committed to deliver a fair, open recruitment process and will use ever-wider outreach methods to raise awareness of our vacancies in a diverse range of communities, places, and sectors. Going forward, Skimstone Arts is committed to continuing to deliver a fair open recruitment selection process and will use ever wider outreach methods to raise awareness of our vacancies in a diverse range of communities, places, and sectors.

New Trustees are typically inducted by the Chair and are provided with a range of resources to support their understanding of the charity's activities.

In June 2021 we welcomed new trustee Liadi Mudashiru.

Objectives and aims

Skimstone Arts works in the sectors of arts, culture, wellbeing, health and heritage; we are intergenerational, helping artists and those identified as being 'at risk of social isolation' including: children and young people, older and elderly people, refugee communities, people of colour and disability, and with the general public. We work with a range of freelance artists and producers on a project-by-project basis.

Our co-creation approach nurtures artistic expression through the equal process of sharing skills, stories and techniques to create new and original work together; we build relationships between established artists from around the world who work with our regionally-based emerging artists and with people at risk of social isolation in our North East communities. Together we express what matters to each person – individually and collectively – and seek to influence social understanding, compassion, and positive change.

In the period covered in this report we worked directly with 465 people, and calculate that we had a ripple-out audience of nearly 7,000 who engaged with the co-created work.

We are one of the North East's leading companies for inclusive arts practice and social action and have dedicated expertise in high-quality work co-created with vulnerable young people, older people, and refugee communities.

In April 2020 we consulted and created our approach to Social Connection in the Time of Social Distancing as our resilience and work with people at risk of isolation became more relevant than ever before.

It shaped the year ahead in which we used new platforms to plan, make and share existing and fresh work, and simultaneously increase wellbeing, for people to feel more connected and less isolated.

Our commitment to communities resulted in an increase in our reach and engagement of co-creators (beneficiaries) working with our emerging artists and established artists and lead staff.

Our reflections and response as allies with people whose lived experience is of racism and racial injustice resulted in new connections and artistic work with communities locally and globally.

Our purpose

Skimstone Arts is established to advance the arts, particularly but not exclusively, music, drama, film and the visual arts, by the production of performances, plays, exhibitions, gigs, films and performances involving diverse groups of disadvantaged artists and communities for the benefit of the public.

Skimstone Arts supports diverse artists and those at risk of isolation, to create work with, for and about the world that matters to them.

Our aims

Skimstone Arts aims to create collaborative music, performance and art with artists and researchers, and develop artistic practice with diverse individuals and communities to reflect challenges in society.

Our general aims include:

- Creating a voice for our artists and promoting inclusion, collaboration, ownership and respect for anyone who has a social and political right to make artworks but may face barriers to do so.
- Making accessible touring music-based theatre and site-specific performances, exhibitions and gigs that reflect current stories and themes relating to today's cultural landscape, changes in heritage and identity, and we explore what we think about the world today.
- Adapting to the constraints and societal needs during the Coronavirus epidemic and lockdowns and post-lockdowns to co-create and support people via the digital-sphere and by working in-person in socially-distanced safe ways.
- Being actively inclusive and opening up opportunities for all less-represented groups including LGBTQAI+, people of colour and across cultures, people who face challenges with struggling mental health, poverty and illness.

Theory of Change

We use a **Theory of Change** model to describe how and why our charitable objects serve our beneficiaries, to review our progress and to track and illustrate over time the resultant change to the people we work with and their communities.

Theory of Change model:

By: working with diverse artists, people at risk of isolation and like minded organisations

To: support them to create work that is with, for and about the world that matters to them and to share what we learn in the process

We will: engage increasingly diverse audiences in quality arts activities and stimulate debate and action around key social challenges

This will: help improve connectivity, confidence and wellbeing for the people and artists we work with and lead to greater skills and engagement in increasingly high quality arts activity.

The model helps us to deliver our four key ambitions:

Ambition 1: Artists

To create nationally recognised, quality artistic work, with diverse artists, about the world that matters to people and communities today.

Ambition 2: Communities/Audiences

To engage with people in diverse communities to produce artistic work that explores and shares engaging stories and is accessible and meaningful to a broader range of audiences.

Ambition 3: Wider sector

To collaborate with researchers and arts, health and social sector professionals, to challenge and instigate debate around the role of the arts in civic change and help find more effective ways to use quality artistic work to improve engagement and well-being.

Ambition 4: Our organisation

To ensure we are sustainable, with core funding and other grants in place to support diversity in all areas – Board, workforce, commissions, projects, performances, with and for audiences and participants, and in line with our Charitable objectives.

What does this mean in practice?

Despite living with the Coronavirus pandemic, we have innovated and stretched our capacity and capabilities to fulfil our commitment to share a clear, high quality arts practice in a well managed and welcoming studio-based approach – adapted for digital and open-air delivery.

We continued to hold high aspirations and expectations and worked with compassion through the uncertainty and social isolation endured by all of our beneficiaries, volunteers, staff, associates, and stakeholders.

We engage those we work with to offer a participatory arts practice, promoting an ethos of equality. This encourages participants to be willing to share stories and ideas and to learn new skills and techniques, as well as to listen, respond, challenge and co-create authentic, original and innovative artworks with us.

We continued to offer opportunities to gain a national Arts Award and to be involved in company operations including business development, marketing of events, and assisting with business meetings and funding applications.

Participants may be encountering difficulties related to individual conditions – in or out of the pandemic – and we provide short term sign-posting and pastoral care to support them in creating work and working with others.

We continue to be inspired by participants' aspirations beyond their practice with Skimstone Arts and the impact these may have on their lives.

We also present work, such as our film Doorbells, made in response to Covid-19, which encouraged online audiences to engage in meaningful debate about social change and policy concerning lack of housing choices and isolation.

Our Artistic Director was also invited by Counterpoints Arts in London to give input into two of their national slow conferences presenting our approach to working with refugee communities, as a stimulus for debate.

Outside the period of this annual report we have moved to new studios, again demonstrating our resilience to navigate a challenging situation - in this case as long-standing tenants of an NE1 city-centre building now to be sold and redeveloped. Our new NE6 studios, workshops and administrative space create fresh opportunities for Covid-safe ways of working together, co-creativity, and now with accessible outdoor green-space.

Our activities, achievements and performance

In the year 2020/21 we have worked much more in the digital space but also committed to in-person delivery whenever possible and safe.

We have stepped-up to the crises facing our beneficiaries and the artistic community and have adapted the way we work and learn together to be effective and sustainable.

Our multi-generational work is with audiences, participants and beneficiaries who are varied in their needs, lives, and isolation - experiencing struggling mental health, poverty, social isolation

and anxiety, disabilities, living with Autism, and facing challenges when identifying as LGBTQAI+ and/or with status as refugees and asylum-seekers.

Pandemic living worsened the situations of people already at risk of isolation, confining them to homes or to bedrooms.

In response to the mandatory stops to in-person core work, we used more phone calls, safely distributed project packs, and moved to digitally-connective apps and software; we issued devices for those without other means to connect. Together we adapted to the changing and socially-distancing environment.

Digital technology has indeed played a big part, and so has the resilience of the people who are Skimstone Arts and who recognised the critical role we fulfil to support, join together, and enable self-expression with people at risk of even further isolation.

The recognition of our funders allowed us to adapt delivery of projects where necessary, and to invest in the IT equipment that we and our existing and new communities needed to stay connected.

We have innovated digitally with online radio, with animation, and with video conferencing to platform music, visual arts, performance, and innovative engagement programmes.

The year has presented some of the most challenging and unprecedented times, yet for Skimstone Arts it has been one of our most productive. The pandemic and the Black Lives Matter movement are not diversions, they are part of our development and growth.

From April 2020 to March 2021 we produced five events – *Here's Your Seat, Imagine Your Seat, Who Holds the Torch?, UNITY Festival, and Whispers & Shouts*.

We delivered **164 sessions** with people which created more than **55 original artworks**. Our overall reach approached nearly 7,000 people, including close-contact with 175 at significant risk of isolation.

The year 2021 was also a year when more than ever before we played a part in bringing Newcastle to the world and the world to Newcastle.

In August 2020, and in response to the pandemic, our drama ***Doorbells: Covid 19*** was developed and re-staged as a film short. It was programmed as part of the Centre for Translational Research in Public Health FUSE Covid-19 Seminar Series.

It was screened and presented via Zoom-video conferencing across two webinars with Q&A and discussion.

Working in partnerships with academics at Northumbria University, ***Doorbells*** continues to be an evolving humorous story that asks questions about where and how we live as we grow older. It continues to initiate the use of the arts to support people to make well-informed housing decisions and produce evidence on how to improve older people's housing services and alternative housing options.

Throughout the summer we safely used our music and and performance skills to 'busk' outside care homes at the request of St Anthony's Care while their residents and clients were unable to

socialise or receive visitors inside due to the lockdown.

We continued to create more accessible opportunities working across online platforms in video and audio, launching a new online service, **Skimstone Radio**.

The combination of live online radio, video conferencing, digital animation, and podcasts allowed us to innovate the delivery and participation of five significant projects: *Here's Your Seat*, *Imagine Your Seat*, *Who Holds the Torch?*, *UNITY Festival*, and *Whispers & Shouts*.

These achieved a combined audience reach of **nearly 7,000** and broke new ground for us as a platform; we engaged **new audiences** to experience and engage through Skimstone Arts.

Here's Your Seat is a compilation of musical and visual artworks created during the 2020 spring/summer lockdown; along with the radio shows, the visual works were projected from a community cafe window.

Imagine Your Seat is an international and intergenerational online radio show of songs and poems responding to the autumn/winter restrictions and a 42-minute film of them with photographs and animations along with the radio shows, the visual works were projected from a community cafe window to new audiences.

Who Holds the Torch? is a radio event in January 2021 to mark Holocaust Memorial Day 2021 with songs and stories made with Skimstone musicians, Newcastle residents, refugee families, young people and artists from around the world; the theme of *being a light in the darkness* was chosen by the Holocaust-Memorial Day Trust.

The *UNITY Festival* in March 2021 is a three-day event of online 'stages' that unlocked digital performance and workshops. Music and story-telling explore community, nature and social action. This year's festival was headlined by British-Nigerian singer-songwriter Bumi Thomas, who presented her set from Nigeria, and the festival also featured international sound recordist and composer Chris Watson.

Whispers & Shouts is a collaborative project with Durham University which explores stories about equality, diversity, belonging and identity with staff and students, culminating as a radio programme on 30 March 2021.

Our beneficiaries

As mentioned, we build relationships between established artists from around the world who work with our regionally-based emerging artists and with people in our North East communities who are at risk of social isolation. Their work is published to audiences in performances, events, exhibitions, films, animations, digital radio and podcasts, and online.

Co-creation takes place with people who have multiple life challenges — such as living with disabilities, poor mental health, poverty, homelessness, encountering racism and racial injustice, people who are displaced, who are refugees or asylum seekers, people with social anxiety — in their daily lives in our North East communities.

Making artistic work together is a life-changing act of bravery which we help people navigate - Skimstone Arts provides pastoral care, and signposts and refers when needed

We consider the co-creation of artistic work co-creates resilience for people with multiple life challenges — having the means or energy to participate, to join in — and to become part of an artistic community which they co-shape, and in which they experience equality of respect.

"Skimstone is like a second home for us, especially for refugees and artists, always proud to be working with Skimstone Arts, humanity important part of the group. I meet many people at Skimstone Arts, it's talent and happy to be part of this group and to make this film short. For my first experience in England it's always supporting and helping us. Appreciate what it is doing." — Co-creator, via WhatsApp.

"It's great to see the breadth of activities that Skimstone Arts deliver, with all opportunities enabling young people to learn and develop a range of musical and social skills. With Skimstone's emphasis on youth voice, young people are part of the process from design through to delivery. Their approach to navigating the pandemic, putting young people first and deftly transitioning to online delivery is laudable." — Funding partner.

"The process used was designed to give voice to those who might otherwise feel rather marginalised, and the feedback indicated that people very much appreciated this. The process of creating songs, soundscapes and spoken word pieces also stretched people's creative experiences. The work is very engaging and everyone who has listened to it has found it both challenging and inspiring." — Partner organisation.

"Skimstone Arts are a vital part of the cultural ecology. Everything they do has their core beneficiaries at its heart. Skimstone are uniquely placed to provide quality, long term engagements for young people facing multiple barriers to accessing arts provision. And they do it with such a sense of ambition and fun! Furthermore it feels mutually respectful and there is always a sense that everyone is learning and growing together." — Funding partner.

"I would like to thank you for today's webinar. It was so thought provoking and evident that your approach to community engagement invests so much care and commitment into your co-collaborators." — Partner-organisation.

Public Benefit

The Trustees understand and have discussed the implications of the provisions of the Charities Act 2006, which state that all charities must demonstrate that they are established for public benefit, and have had due regard to the public benefit guidance issued by the Charity Commission.

Achievements and performance

We continue to work with people who live in some of the most deprived wards in England. Our immediate-term response to the COVID-19 pandemic was to deliver existing projects with our beneficiaries in the digital sphere, wherever possible, and, with their consent, sharing their work with the wider world.

Routinely, we use our Theory of Change model to map and track our work and the difference we help to make with our beneficiaries and in wider society. And we evaluate our progress and impact using qualitative and quantitative evidence from our beneficiaries and stakeholders.

From this we can confirm that we continue to succeed as a charity to work with all of our categorised beneficiaries, and across all our stated art forms.

Our wider benefits to society include the appreciation of shared work at events, festivals, and

online, and in helping to increase and shape knowledge in the health and academic sectors who work with and study: isolation, mental health, ageing, and artistic practice.

In thirteen years we have reached more than 10,000 audience members, with a rich diversity of heritages, backgrounds, and lives. We have presented at international conferences on artistic and social action, sharing our knowledge and artistic outputs.

Financial Review

For the year ended 31 March 2021 Skimstone Arts recorded a net surplus of £15,084 (2019-20: £16,240). This expenditure relates to grant income received in 2019–20 in advance of project activities that took place in early 2020-21.

Our principal risks and uncertainties

The principal risks for Skimstone Arts are financial, social, and safeguarding of young and vulnerable people; these risks are recorded and monitored with all risks in our secure risk register which is monitored and reviewed quarterly by the Trustees. Since March 2020 the risk register has been reviewed on a bi-monthly basis due to the heightened risks presented by the COVID-19 outbreak.

Financial risk: during the pandemic we have successfully made cases for support with funders both to address our sustainability and to adapt and continue to work actively in communities. We have secured funding to meet new requirements such as the level and methods of pastoral care we deliver to our artists, freelance staff and communities.

We have reached positive understandings with funders of restricted funds on the delivery of community work remotely, and have found new funding streams to increase our digital assets in order to work in virtual and digital communities. Our longer-range funding plan is reviewed more regularly because of the pandemic and is developing in response to the emerging needs of our beneficiaries during and post pandemic. Our fund-raising sub-committee of Trustees and freelance staff is reshaping our fund-raising strategy to recognise this. We have found the Arts Council England guidance on business planning and managing our funds and reserves to be a useful navigational aid, as is the related ACE toolkit on managing and controlling finances.

Societal risk and uncertainties: we abide by the government's advice and legislation regarding social distancing and have adapted our work for the digital sphere, and we have been able to return to work physically in communities within social distancing rules if they are comfortable to do so.

Societal risks for us include the wellbeing and health of our beneficiaries, our artists and our freelance staff. We work with health-sector and academic experts to understand and tailor our current and future work.

Safeguarding risk: we maintain a safeguarding policy which is reviewed annually by freelance staff and Trustees. All new Trustees, freelance staff and artists are inducted into the safeguarding policy.

Reserves and going concern

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission. The Trustees aim to hold a level of Unrestricted Reserves to enable normal operating activities to continue for a period of up to three months should a shortfall in income or significant unforeseen expenses occur. This policy will be reviewed by the Trustees on an annual basis as part of the charity's budgeting processes.

Skimstone Arts currently holds Unrestricted Reserves of £25,710 at 31 March 2021 (31 March 2020: £13,336). The fundraising sub-committee continues to work with Trustees and funders to look for opportunities to build up our reserves to meet our target range of three to six months' average operating costs.

The Trustees have considered the likely financial impact of COVID-19 on operations and have prepared a revised budget and cashflow forecast. We have sought additional funding to cover identified shortfalls and have worked with funders to agree alternative delivery methods wherever possible. Based on this information the Trustees have concluded that Skimstone Arts can continue to operate for the foreseeable future. The accounts have therefore been prepared on a going concern basis.

Principal source of funds

We seek always to diversify our funding and our Trustees are involved in face-to-face advocacy of the benefits to society from our work, and are themselves donors to Skimstone Arts. We also receive specific funding in relation to the areas of work we have reported upon, and our funders include:

Newcastle City Council
Arts Council England Emergency Fund, Culture Recovery Fund
Youth Music
Community Foundation Tyne & Wear
Garfield Weston Foundation
Newcastle Fund
Well Newcastle Gateshead Blue Stone Consortium
Big Lottery Community Fund
Durham University
Newcastle Cultural Investment Fund
Quaker Legacy Fund
Hadrian Trust
East Durham Creates
The Rayne Foundation
Care & Repair England
Wellesley Fund
Fogo Fund
High Sheriff Award

Partners:

Youth Music
Northumbria University
Holocaust Memorial Day Events
Elders Council
Friends of The Drop In – Sunderland
Sunderland Council
St Anthony's Day Centre Services, Walker
Counterpoints Arts
Newcastle University
MINE, North East
The Bostey, Walker

Standing Upright
Jack Drum Arts
Switch It
Walker Workers
The Natural History Society of Northumbria
Culture Against Racism

Plans for future periods

Lockdown gave us the opportunity to reflect on our ways of working and find innovative new ways of delivering our work which we assimilate and carry forward.

We know from the lived experiences and artistic expression of everyone who engages and works together through Skimstone Arts that the Coronavirus pandemic of 2020/21 has exacerbated the inequalities already faced by our beneficiaries and we understand our role to be more important than ever.

Statement of Trustees' responsibilities

The charity Trustees (who are also the directors of Skimstone Arts for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. 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 they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, for that period.

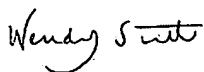
In preparing these financial statements, the Trustees are required to:

- 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees and signed on their behalf by:

Name



Print

Wendy Scott 7th October 2021

SKIMSTONE ARTS

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2021

I report on the financial statements of Skimstone Arts for the year ended 31 March 2021, which are set out on page 16 to 27.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Jim Dodds
Ellison Services Limited
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF
Date: 17/12/21



SKIMSTONE ARTS

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<u>Income from:</u>					
Donations and legacies	6	1,363	4,130	5,493	15,610
Charitable activities					
Grants and contracts	7	-	122,542	122,542	151,836
Donated services	8	7,485	-	7,485	10,799
Other trading activities	9	17,080	-	17,080	3,654
Total income		25,928	126,672	152,600	181,899
<u>Expenditure on:</u>					
Raising funds	11	-	440	440	17,744
Charitable activities					
Operation of the charity	13	6,069	153,690	159,759	137,116
Donated services	12	7,485	-	7,485	10,799
Total expenditure		13,554	154,130	167,684	165,659
Net income/(expenditure) and net movement of funds		12,374	(27,458)	(15,084)	16,240
<u>Reconciliation of funds</u>					
Total funds brought forward		13,336	44,823	58,159	41,919
Total funds carried forward		25,710	17,365	43,075	58,159

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 18 to 27 form an integral part of these accounts.

BALANCE SHEET

As at 31 March 2021

	Notes	£	Total 2021 £	£	Total 2020 £
Fixed assets					
Tangible assets	22		1,428		479
Total fixed assets			1,428		479
Current assets					
Debtors	23	13,824		2,180	
Cash at bank and in hand	24	45,246		56,805	
Total current assets		59,070		58,985	
Creditors: amounts falling due within one year	25	(17,423)		(1,305)	
Net current assets			41,647		57,680
Total assets less current liabilities			43,075		58,159
Total net assets			43,075		58,159
Funds of the charity					
Unrestricted income funds			25,710		13,336
Restricted income funds			17,365		44,823
Total funds			43,075		58,159

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.

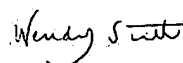
These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 18 to 27 form an integral part of these accounts.

These financial statements were approved by the Board on: 7th October 2021

and are signed on its behalf by:

Wendy Scott
Chair



SKIMSTONE ARTS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation or uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Skimstone Arts meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Trustees have revised their forecasts to take into account the impact on the business of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability.

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

SKIMSTONE ARTS

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

3.4 Donated goods and services

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the Trustees' annual report.

3.6 Interest receivable

Interest on funds held on deposit is included when received and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.7 Fund accounting

Unrestricted funds are available to spend on activities that further any purpose of the charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of production of plays, exhibitions, concerts, films and performances and other activities undertaken to further the purposes of the charity and their associated support costs.

4.3 Governance and support costs

Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

SKIMSTONE ARTS

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Fixtures fittings and equipment

Straight line over four years

A full year's depreciation charge is applied in the year of acquisition and no charge is made in the year of disposal.

SKIMSTONE ARTS

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
6 Donations and legacies				
Donations and gifts	613	-	613	610
Core grants	-	-	-	15,000
Community Fund High Sheriff Award	750	-	750	-
Care and Repair England	-	2,330	2,330	-
Newcastle City Council	-	1,800	1,800	-
	<u>1,363</u>	<u>4,130</u>	<u>5,493</u>	<u>15,610</u>
7 Charitable activities				
<u>Income from grants</u>				
Reaching Out	-	-	-	63,750
Well Newcastle Gateshead	-	8,000	8,000	-
Big Lottery Community Fund	-	9,850	9,850	-
Newcastle Cultural Investment Fund	-	35,000	35,000	-
Youth Music	-	39,017	39,017	55,101
Arts Council England	-	20,550	20,550	18,855
Arts Council England - Elevate	-	-	-	13,005
Newcastle Fund	-	10,125	10,125	-
Other	-	-	-	1,125
	<u>-</u>	<u>122,542</u>	<u>122,542</u>	<u>151,836</u>
8 Donated Services				
Donated services	7,485	-	7,485	10,799
	<u>7,485</u>	<u>-</u>	<u>7,485</u>	<u>10,799</u>
9 Other trading activities				
Work with Young Artist Collective / Young People	14,000	-	14,000	1,054
Work with Elders	3,080	-	3,080	2,600
	<u>17,080</u>	<u>-</u>	<u>17,080</u>	<u>3,654</u>

Income was £152,600 (2020: £181,899) of which £25,928 was unrestricted or designated (2020: £27,490) and £126,672 was restricted (2020: £154,409)

SKIMSTONE ARTS

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
11 Raising funds				
Incurred seeking grants	-	-	-	7,489
Fundraising costs	-	440	440	3,080
Marketing and communications	-	-	-	7,175
	<u>-</u>	<u>440</u>	<u>440</u>	<u>17,744</u>

12 Donated Services

Donated services	7,485	-	7,485	10,799
	<u>7,485</u>	<u>-</u>	<u>7,485</u>	<u>10,799</u>

13 Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Reaching Out	-	52,410	52,410	72,607
Youth Music	-	36,425	36,425	32,202
Peace Procession	-	5,842	5,842	15,065
Arts Council England	-	21,050	21,050	11,846
Work with Young Artists	6,069	-	6,069	2,263
Work with Elders	-	2,330	2,330	2,618
FOGO Fund	-	10,000	10,000	-
Newcastle Fund	-	10,125	10,125	-
Other projects	-	15,508	15,508	515
	<u>6,069</u>	<u>153,690</u>	<u>159,759</u>	<u>137,116</u>

14 Analysis of charitable activities

	Activities undertaken directly £	Support costs £	Total 2021 £	Total 2020 £
Reaching Out	48,342	4,068	52,410	72,607
Youth Music	33,086	3,339	36,425	32,202
Peace Procession	1,865	3,977	5,842	15,065
Arts Council England	16,902	4,148	21,050	11,846
Work with Young Artists	5,966	103	6,069	2,263
Work with Elders	2,330	-	2,330	2,618
FOGO Fund	9,500	500	10,000	-
Newcastle Fund	9,050	1,075	10,125	-
Other projects	14,646	862	15,508	515
	<u>141,687</u>	<u>18,072</u>	<u>159,759</u>	<u>137,116</u>

SKIMSTONE ARTS

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

Analysis of expenditure on charitable activities continued

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
15 Support costs				
Consultancy	-	1,650	1,650	3,080
Management activity	38	2,829	2,867	5,973
Governance cost	65	955	1,020	341
Finance and administration	-	1,452	1,452	5,707
IT costs	-	949	949	1,323
Depreciation	-	955	955	419
Rent and overheads	-	8,868	8,868	8,510
Marketing and PR	-	-	-	7,175
Other	-	311	311	1,555
	<u>103</u>	<u>17,969</u>	<u>18,072</u>	<u>34,083</u>

Expenditure on charitable activities and raising funds was £167,684 (2020: £165,659) of which £13,554 was unrestricted or designated (2020: £32,050) and £154,130 was restricted (2020: £133,609)

16 Fees for examination of the accounts

	2021 £	2020 £
Independent examiner's fees for reporting on the accounts	1,020	720
	<u>1,020</u>	<u>720</u>
There were no other fees paid to the examiner (2020: £nil)		

17 Analysis of staff costs and the cost of key management personnel

	2021 £	2020 £
Subcontract staff costs	122,435	110,785
	<u>122,435</u>	<u>110,785</u>

No employee received remuneration above £60,000 (2020: nil).

The key management personnel of the charity comprise the Trustees and the Artistic Director. The total employee benefits of the key management personnel of the charity were £40,030.

18 Staff Numbers

The average monthly head count was 6 staff (2020: 6 staff) and the average monthly numbers of full-time equivalent employees during the year were as follows:

	2021 Number	2020 Number
The parts of the charity in which the subcontract staff work were:		
Charitable activities - core work	0.7	0.7
Charitable activities - direct work	2.4	2.4
	<u>3.1</u>	<u>3.1</u>

SKIMSTONE ARTS

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

19 Transactions with Trustees

None of the Trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

Trustees' expenses

The following detail the expenses incurred by the trustees.

	2021 £	2020 £
Microsoft Office Licence	33	-
	<u>33</u>	<u>-</u>

Transactions with related parties

There have been no related party transactions in the reporting period.

20 Defined contribution pension scheme

As all the staff are currently subcontracted the charity does not operate a pension scheme.

21 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

22 Tangible fixed assets	Fixtures fittings and equipment £	Total £
Cost		
Balance brought forward	3,070	3,070
Additions	1,904	1,904
Disposals	-	-
Balance carried forward	<u>4,974</u>	<u>4,974</u>
Depreciation		
Basis	SL	
Rate	25%	
Balance brought forward	2,591	2,591
Depreciation charge for year	955	955
Disposals	-	-
Balance carried forward	<u>3,546</u>	<u>3,546</u>
Net book value		
Brought forward	<u>479</u>	<u>479</u>
Carried forward	<u>1,428</u>	<u>1,428</u>

SKIMSTONE ARTS

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

23 Debtors and prepayments (receivable within 1 year)

	2021 £	2020 £
Trade debtors	13,824	2,180
	<u>13,824</u>	<u>2,180</u>

24 Cash at bank and in hand

	2021 £	2020 £
Cash at bank	45,118	56,677
Cash in hand	128	128
	<u>45,246</u>	<u>56,805</u>

25 Creditors and accruals (payable within 1 year)

	2021 £	2020 £
Trade creditors	16,403	549
Accruals		
Independent examination of accounts	1,020	756
	<u>17,423</u>	<u>1,305</u>

26 Events after the end of the reporting period

No events have occurred after the end of the reporting period, but before the accounts are authorised, that require adjustment to the accounts.

27 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	6,052	25,928	(13,554)	7,284	25,710
Designated funds					
Garfield Weston	7,284	-	-	(7,284)	-
Totals	<u>13,336</u>	<u>25,928</u>	<u>(13,554)</u>	<u>-</u>	<u>25,710</u>

Purpose of unrestricted funds

General unrestricted fund: The 'free reserves' of the charity.

SKIMSTONE ARTS

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

27 Analysis of charitable funds continued

Analysis of movement in restricted funds

Restricted funds	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Well Newcastle Gateshead	3,639	8,000	(11,639)	-	-
Big lottery Reaching Out	-	9,850	(9,850)	-	-
Newcastle Cultural Investment Fund	-	35,000	(35,000)	-	-
Arts Council England	500	20,550	(21,050)	-	-
Care and Repair England	-	2,330	(2,330)	-	-
Community Foundation FOGO Fund	10,000	-	(10,000)	-	-
Newcastle City Council	-	1,800	(1,800)	-	-
Hadrian Trust	1,000	-	(1,000)	-	-
High Sheriff Award	615	-	(615)	-	-
Newcastle Fund	-	10,125	(10,125)	-	-
Newcastle Cultural Investment Fund	4,389	-	(4,389)	-	-
Peace Procession	5,842	-	(5,842)	-	-
Quaker Legacy Fund	7,000	-	(2,667)	-	4,333
Reality Boots Crowdfunding	337	-	(337)	-	-
Wellesley Foundation	1,061	-	(1,061)	-	-
Youth Music	10,440	39,017	(36,425)	-	13,032
Totals	44,823	126,672	(154,130)	-	17,365

Purpose of main restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Well Newcastle Gateshead	Reaching Out Project - support young people to be cultural leaders and create work with communities.
Big lottery Reaching Out	Reaching Out Project - support young people to be cultural leaders and create work with communities.
Newcastle Cultural Investment Fund	Reaching Out Project - support young people to be cultural leaders and create work with communities.
Arts Council England	To support ongoing costs during the pandemic.
Care and Repair England	To support webinar and film about ageing.
Community Foundation FOGO Fund	Young Artist Collective - supporting the work of vulnerable young people in the region to make work and develop leadership.
Newcastle City Council	Holocaust Memorial Day Events Create work to be part of national Holocaust Memorial Day Events.
Hadrian Trust	Reaching Out Project - support young people to be cultural leaders and create work with communities.

SKIMSTONE ARTS

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

27 Analysis of charitable funds continued

Purpose of main restricted funds continued

Newcastle Fund	Young Artist Collective - supporting the work of vulnerable young people in the region to make work and develop leadership.
Peace Procession	Holocaust Memorial Day Events Create work to be part of national Holocaust Memorial Day Events.
Quaker Legacy Fund	Reaching Out Project - support young people to be cultural leaders and create work with communities.
Youth Music	Continue personal and musical development of our Young Artists Collective, supporting high-quality music making by young people facing complex life challenges.

Transfers between funds

	Reason for transfer	Amount £
Between unrestricted and designated funds	The transfer represents the balance of funds from Garfield Weston to pay for Core Costs.	7,284

28 Capital commitments

As at 31 March 2021, the charity had no capital commitments (2020 -£nil).

29 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Tangible fixed assets	1,428	-	1,428	479
Cash at bank and in hand	27,881	17,365	45,246	56,805
Other net current assets (liabilities)	(3,599)	-	(3,599)	875
	<u>25,710</u>	<u>17,365</u>	<u>43,075</u>	<u>58,159</u>