SUNDERLAND CULTURE LIMITED

England & Wales · Charity number 1184073

Details

Status	Registered
Legal form	Charitable company
Company number	10098742
Registered	2019-06-24
Register	View on the Charity Commission register

Contact

Address	National Glass Centre Liberty Way Sunderland SR6 0GL
Phone	01915155555
Email	accounts@sunderlandculture.org.uk
Website	http://www.sunderlandculture.org.uk/

Activities

Objects: FOR THE BENEFIT OF THE PUBLIC TO ADVANCE THE ARTS AND CULTURE AND TO ADVANCE EDUCATION IN THE ARTS OF PERFORMANCE, MUSIC, DRAMA, POETRY READING, SCULPTURE, PAINTING, PHOTOGRAPHY, HANDICRAFTS, LITERATURE, GLASS-MAKING, HISTORY, FILM AND ALL OTHER ASSOCIATED ARTS (THE ARTS) IN PARTICULAR BUT NOT EXCLUSIVELY BY:1 ENCOURAGING PUBLIC PARTICIPATION IN THE ARTS AND BY THE PRESENTATION OF CONCERTS, PERFORMANCES, EXHIBITIONS AND FESTIVALS, PROVIDED THAT THE PROMOTION OF SUCH FESTIVALS AND EVENTS IS UNDERTAKEN SOLELY FOR THE PUBLIC BENEFIT;2 DEVELOPING NEW AND INNOVATIVE WAYS OF DELIVERING THE ARTS;3 PARTICIPATION IN AND, WHERE APPROPRIATE, MANAGEMENT AND OVERSIGHT OF, CULTURAL OPERATIONS, VENUES AND ACTIVITIES PRIMARILY IN THE CITY OF SUNDERLAND TO ENSURE MAXIMUM BENEFIT AND RETURN, PROVIDED THAT SUCH PARTICIPATION AND MANAGEMENT IS UNDERTAKEN SOLELY FOR THE PUBLIC BENEFIT;

Activities: We operate museums, galleries and performing arts venues in Sunderland and deliver city-wide projects, events and performances that engage hundreds of thousands of people each year in visual arts, heritage, performance and learning opportunities.

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Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- Sunderland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,690,689	£2,071,083	£919,858	21
2024-03-31	£2,210,915	£2,111,066	£300,252	42
2023-03-31	£2,485,709	£2,923,435	£200,403	54
2022-03-31	£2,176,893	£2,500,985	£638,129	43
2021-03-31	£2,221,711	£1,479,594	£962,221	15

Trustees

Name	Role	Appointed
Thomas Andrew Billington	Chair	2026-03-24
Catherine Auld		2024-12-11
David Roy Sandbach		2022-07-25
Helen Driscoll		2025-06-16
Kumareswaradas Ramanathasas		2022-07-25
Marie Michelle Daurat		2023-11-03
Marie Nixon		2022-07-25
Neil Smith		2024-07-08
Nicola Greenan		2026-03-24
Sheree Irene Rymer		2022-07-25
Simon Briton		2026-03-24

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SUNDERLAND CULTURE LIMITED

England & Wales - Charity number 1184073

Accounts

Charity registration number 1184073

Company registration number 10098742 (England & Wales)
(A company limited by guarantee)

SUNDERLAND CULTURE LIMITED

Annual report and financial statements

For the year ended 31 March 2025

SUNDERLAND CULTURE LIMITED

CONTENTS

	Page
Reference and administrative details	1
Trustees' Report	2 - 9
Independent Auditors Report	10 - 12
Consolidated Statement of Financial Activities	13 - 14
Consolidated Balance Sheet	15
Charity Balance Sheet	16
Consolidated Cash Flow Statement	17
Notes to the Consolidated Financial Statements	18 - 31

SUNDERLAND CULTURE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A R Mackay G E Callaghan J M Earl (Chair) K Ramanathas S I Rymer M Nixon Prof D R Sandbach M M Daurat Cllr B V Jones – appointed 17 June 2024 N Smith - appointed 8 July 2024 C E Auld – appointed 11 December 2024 H P Driscoll – appointed 16 June 2025
Secretary	I High
Key Personnel	R Ball (Chief Executive) – resigned 31 July 2024 N Malyan (Chief Executive) – appointed 30 September 2024 I High (Director of Finance and Administration)
Company Registration Number	10098742 (England & Wales)
Charity Registration Number	1184073
Registered office	National Glass Centre Liberty Way Sunderland SR6 0GL
Bankers	Handlesbanken 43 Old Elvet Durham DH1 3HN
Auditors	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle upon Tyne NE2 1TJ

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The charitable company's object and principal activity is to:

- Advance the arts and culture and to advance education in the arts of performance, music, drama, poetry reading, sculpture, painting, photography, handicrafts, literature, glass making, history, film and all other associated arts ("the Arts") in particular, but not exclusively by:

- Encouraging public participation in the Arts by the presentation of concerts, performances, exhibitions and festivals, provided that the promotion of such festivals and events is undertaken solely for the public benefit;

- Developing new and innovative ways of delivering the Arts;

- Participating in and, where appropriate, management and oversight of, cultural operations, venues and activities primarily in the City of Sunderland to ensure maximum benefit and return, provided that such participation and management is undertaken solely for public benefit.

ACHIEVEMENTS AND PERFORMANCE

Sunderland Culture's mission is to improve life for everyone in Sunderland through culture. We are a pioneering place-based partnership formed in 2016, by University of Sunderland, Sunderland City Council and Sunderland Music, Arts and Culture Trust, to take forward an ambitious cultural vision for the city. Firmly place-focused in our creative and cultural ambition, we work across Sunderland to ensure the power of art, culture and creativity is harnessed for the benefit of the city and its people. We are an independent company limited by guarantee, a registered charity and have a trading subsidiary, Sunderland Culture Trading which became dormant from 1 October 2023.

Through a Collaboration Agreement, we build on our founding partners' civic, educational and philanthropic commitment to Sunderland's communities and to realising the city's cultural potential. We bring together the assets, activities and resources from the three partners, alongside investment from Arts Council England, other charitable trusts and foundations and earned income. As we approach the 10th anniversary of our foundation we continue to review our purpose and practice in the light of a decade's experience of delivering on our mission.

To achieve our place-based mission, we are guided by five core aims:

- Building the city's profile and reputation
- Growing our creative economy
- Building confidence and aspiration in young people
- Improving health and wellbeing
- Creating connectivity amongst our communities

Our impact comes from our own activities and by enabling other organisations to deliver on their mission and purpose. We are committed both to delivering wide ranging and deep cultural engagement, and to strengthen the city's creative ecology by supporting and partnering with other parts of the arts and wider civic society. Our goal of facilitating world-class cultural opportunities for everyone remains unchanged, as is our ambition to learn and grow for the future

During 2024/25 we delivered a city-wide creative programme of arts activities with communities across the city, including our pioneering place partnership Culture Start. We also deliver an ambitious, diverse and high quality programme of exhibitions, events and engagement in four cultural venues

- Arts Centre Washington
- National Glass Centre
- Northern Gallery for Contemporary Art
- Sunderland Museum & Winter Gardens

We delivered a diverse cultural programme with 118 exhibitions, performances and events. We welcomed more than 480,000 visitors to the venues, with over 42,000 people taking part in creative activities in-venue our as part of our city-wide programmes.

Our year in figures
483,031 Visitors
188 Artist and freelancer collaborations
118 Exhibitions, performances and events
45 Unlock grants for creatives
42,779 Participants
47 Ignite grants for young people
10,346 School visitors
895,278 Website visitors
331 Volunteer hours
101,969 Social media followers

2024/25 Selected Highlights

Partnerships
In addition to our founding partners, we also work with local, regional and national partners to raise aspirations, provide impact in local communities and deliver world-class cultural experiences;

Theatre Nation Partnership
A multi-year programme delivered with The National Theatre and Sunderland Empire including;

- Public Record enabled us to work with a company of almost 100 professional and community performers to devise and present an original piece of music-theatre that told Sunderland's story in new creative ways.
- Speak Up - since 2021, working with over 150 young people across five schools; Barbara Priestman Academy, Beacon of Light, Hetton Academy, Oxclose Academy and Thornhill Academy. Our partner schools are diverse – including mainstream, SEN and alternative provision to ensure a wide range of voices represented through the project.

Culture Start
Culture Start is a pioneering new programme creating opportunity for children and young people with lived experience of poverty across Sunderland. An Arts Council of England Place Partnership the project brings together strategic partners from across the city and region including strategic partners; All Together Consortium, Children North East, Gentoo, MAC Trust, NE Youth, Sunderland City Council, Sunderland College, Together for Children and University of Sunderland and is also supported by delivery partners from across the community and cultural sector. In the first year of the programme Culture Start provided 2359 engagements across the city, delivered poverty proofing training in organisations and venues and engaged more than 40 artists.

Autonomy
Autonomy was a new initiative working with education partners across the city to provide museum and gallery based opportunities for neurodivergent young people. Funded by the Association of Independent Museums through Know Your Neighbourhood funding the entire programme was devised by participants and included workshops, visits and events taking place across cultural venues in the city. A new, regular group – Special Interests Club – was set up at Arts Centre Washington and continues to meet on an ongoing basis. The project's success has seen nominations for cultural and educational sector awards and extension funding into a second year of delivery in partnership with Sunderland College.

The Ballad of the Crocodile and the Underpass
The Ballad of the Crocodile and the Underpass – Stories of Washington New Town, is an award-winning podcast partnership between Washington Heritage Partnership, We Make Culture, University of Sunderland, BaselineShift and Arts Centre Washington.

Since April 2024 this partnership, podcaster and musician Grace Stubbings and the Washington community podcasting group have been working with people and organisations in Washington to collect and share experiences of life in a new town. Musicians Paige Temperley and David Brewis (Field Music) worked with community members and young people at Arts Centre Washington to turn stories of Washington into songs. The songs, interviews, sounds and archive recordings have been woven together to create unique ballad podcasts.

The group have been influenced by the radio ballad work of Charles Parker, Ewan MacColl and Peggy Seeger who made radio ballads about working class stories in the 1950s and '60s for the BBC. The project has since been turned into a successful performance and documentary, and the community podcast group continue to meet weekly at Arts Centre Washington.

Venue programme
Our activities this year have provided a creative programme both rich in quality and far-reaching in impact. Nowhere is this more evident than in our free-to-enter public venues, where we deliver outstanding, year-round cultural experiences. This year, those venues welcomed nearly **half a million visitors**, **40,000 participants** and more than **10,000 school and college students**.

Arts Centre Washington

The Centre welcomed visiting dance including Ballet Lorent's *The Velveteen Rabbit* and hosted the National Theatre's Connections Festival for youth theatre. Bright Lights Youth Arts Festival 2025 delivered its largest programme yet with 23 free events across city venues, from exhibitions and film showcases to performances, upcycling workshops and music from emerging bands. Our partnership with Film Hub North expanded the film offer, adding Heritage Reels, Film and Fun, Rock Docs and Sunderland Film Club. Exhibitions featured Andrew Tifts's portraits of Washington care-home residents and Lena Archibald's *Felting Connections*, telling stories of migration and resilience. Overall, the Centre strengthened its role as a creative, inclusive hub for Sunderland and member of the national Future Arts Centre's network.

National Glass Centre
Glass World highlighted international artists from the Centre's collection, while the Bernard Lloyd Collection showcased major figures such as Chihuly and Littleton. Effie Burns' new work, created through a three-centre collaboration, toured to the Balcony Gallery. Graduate exhibitions were followed by *People's Art*, commissioning five artists to respond to Folk Art objects; the show later toured to the Harley Gallery.

Northern Gallery for Contemporary Art
The gallery presented two rare painting shows: Laura Lancaster's major solo exhibition *My Echo, My Shadow*, and Seb Trend's *XTRALIFE* of 'melted photographs'. Autumn focused on working-class histories with *Fixing Time*, a two-venue retrospective of Ian Macdonald attracting national acclaim and strong visitor engagement. To mark the 40th anniversary of the Miners' Strike, Jeremy Deller's *The Battle of Orgreave* was shown alongside period photographs. Winter exhibitions explored portraiture and community, including *The Skin We Live In* and Harry Griffin's first gallery show, accompanied by a widely viewed interview film. The NGCA Collection continued to grow with new works by Macdonald and Trend as well as Janina Sabaliauskaitė, Johannah Churchill and Michael Daglish.

Sunderland Museum & Winter Gardens
As part of the dual programme with NGCA, *Fixing Time* highlighted Macdonald's industrial and portrait work, inspiring workshops, talks, and family activities. *Coal Face* combined tintype photography and film by Sunderland's Andy Martin with verbatim poetry by Louise Powell to share miners' stories, supported by a study day and community activities. Our Creative Age participants co-created coal-mining themed sensory resource boxes for care settings as part of a national "Working Together" project. The Older Women's Artist Collective collaborated with photographer Sophie Piper on *Re-visualising Women's Work*. Young people from the Celebrate Different Collective reinterpreted collection objects through an environmental lens, debuting their takeover tours during the 2025 Bright Lights Festival.

Growing our creative economy
Sunderland Culture continues to play a leading role in the city's cultural and creative sector. In 24/25 we employed more than 180 freelance creatives – we worked with artists across in a range of ways, from session-based delivery to artistic commissions and residencies. We also commissioned producers, technicians and other offstage professionals whose vital contribution can sometimes be overlooked.

In December hosted an annual Creative Forum at Southpaw studios in the newly opened Sheepfolds stables. The event was attended by more than 40 artists and creative businesses from across the city with presentations on exciting new projects, business and enterprise support schemes.

Our Unlock sector-support programme awarded grants totalling more than £68,000 to 45 creative businesses looking to scale up or develop new products or markets in the city. The programme has been delivered on behalf of University of Sunderland's Innovate and Grow project, funded by the UK Shared Prosperity Fund (UKSPF). Additionally, Culture Start awarded more than £21,000 of support to talented young creatives who face socio-economic barriers to entry in the sector.

Finally, in January of 2025 we received news that our application for to DCMS's Cultural Development Fund had been successful. This provides £5m of support to our efforts to safeguard the future of glass making in the city through the establishment of Glassworks: Sunderland. Glassworks will be a £7.5m world-class facility for people of all ages to create in glass and a catalyst for creative regeneration in the Sunniside area of the city.

FINANCIAL REVIEW
The Sunderland Culture Finance Committee met quarterly during this financial year, supported by Rebecca Ball and Nick Malyan as CEO's and Ian High, Director of Finance and Administration.

The Chair of the Finance Committee briefs the full charity board during the quarterly board meetings of the financial performance of the organisation. We would like to thank Roy Sandbach for his work as chair.

Systems continue to be prioritised and implemented within the organisations financial structure including.

- Payment approvals authorised by only the CEO and DOF with cover for leave from an additional two authorised bank users.
- Stringent controls with onboarding new suppliers such as verbal bank details checks, confirming Vat and Company registration numbers.
- A well-functioning purchase order system to support internal controls.
- Card/expense application providing more control and flexibility managed by DOF.
- Payroll application to manage and support the processing monthly payments.
- Internal supplier ordering system for certain go to suppliers.

Sunderland Culture continues to contribute to the salary costs of employees directly employed by our founding partners who support the delivery programme across the five core venues. We have been a Real Living Wage employer since 1 April 2023.

The investment through Arts Council England's NPO programme of £634,200 p/a continued to provide vital support for the organisation's core activities and operations. We are incredibly grateful for an uplift in funding from ACE from our previous annual amount of NPO funding of £509,200 and we are pleased to have funding for an additional year confirmed to April 2027, with the possibility of a further year to April 2028.

In addition, we continue to be very grateful to our other funders (Listed below) who provide restricted funding to support our creative programme and projects.

We must also note the considerable support and ongoing investment of our founding partners with respect to the maintenance, operation, and management of the core venues. This investment may be in-kind, but it remains crucial in enabling the delivery of the cultural programme. We are indebted to our partners for their continued investment and support for culture in Sunderland, without which Sunderland Culture would not be able to continue to deliver its programmes.

The Trustees considered it appropriate to hold the equivalent of three months of total income which would equate to holding approximately £206,000 in free reserves. The board are committed to rebuilding the free reserves to this level over the next three years. At the year end, free reserves were £217,774 (2024: £119,771) an increase of £98,003 because of the surplus in the year.

PLANS FOR THE FUTURE

The beginning of 2025/26 saw the initial impact of a new major project for Sunderland Culture. Culture Start - a partnership between Together for Children, Children North East, North East Youth, Gentoo, Sunderland City Council, Sunderland College, University of Sunderland, the Local Cultural Education Partnership, MAC Trust and Sunderland Culture, with all partners committed to working together to significantly increase equality of access to cultural opportunities for children and young people impacted by poverty in Sunderland.

The University of Sunderland's planned closure of the National Glass Centre in 2026 and relocation of Northern Gallery for Contemporary Art will require us to adapt our activities and identify new offices for the organisation.

The news of major development funding for the refurbishment of the Museum and Winter Gardens is excellent news for the city but will require Sunderland Culture to operate our programs in a different way. We are working closely with the city Council and other funders to identify how our work can support the strategic objectives for the city and how we can use arts and culture to promote pride in the area and improve social cohesion.

List of funds

- Ambassador Theatre Group – The National Theatre Partnership
- Art Fund – Going Places Programme
- Arts Council England – Cultural Compacts Place Based Peer Learning Programme
- Arts Council England – Culture Start
- Arts Council England – National Portfolio Organisation (NPO)
- Association of Independent Museums – Connected Communities Programme
- Community Foundation – High Sheriff Award – Right Track Music Project
- Culture, Health and Wellbeing Alliance – Working Together Programme
- Film Hub North – Film Hub Film Programme
- National Lottery Heritage Fund – Washington Heritage Partnership
- National Theatre – Connections Programme
- National Theatre – Festival Enhancement
- National Theatre – Public Acts Programme
- Scops Art Trust – Right Track Music Project
- Sir James Knott Trust – Culture Start
- Sunderland City Council – Creative You Programme
- Sunderland City Council – UK Shared Prosperity Fund – Engagement Programme
- Sunderland Music, Arts and Culture Trust – Culture Start
- Sunderland Voluntary Sector Alliance – Community Transport
- The Albany – Family Arts Network
- University of Sunderland – UK Shared Prosperity Fund – Innovate and Grow Programme
- Washington Heritage Partnership – Washington Heritage Programme
- Womens Community Boutique – Sports England Dance Your Heart Out Programme

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustees who served throughout the year and up to the date of signature of the financial statements were:

A R Mackay
G E Callaghan
J M Earl (Chair)
K Ramanathas
S I Rymer
M Nixon
Prof D R Sandbach
M M Daurat
Cllr J Price – resigned 17 June 2024
Cllr B V Jones – appointed 17 June 2024
N Smith - appointed 8 July 2024
C E Auld – appointed 11 December 2024
H P Driscoll – appointed 16 June 2025
I Kershaw – resigned 27 January 2025
P J McIntyre – resigned 11 December 2024
M W Young – resigned 16 June 2025

Governance
During the financial year of 2024/25, three of our Trustees, Cllr John Price, Peter McIntyre and Ian Kershaw resigned from the Board.

Prior to the production of these financial accounts Prof Michael Young also resigned, we are very grateful to them all for their contributions to Sunderland Culture. In their place, during the 2024/25 financial year we were very pleased to welcome three new Trustees Cllr Beth Jones and Catherine Auld from our founding partner Sunderland City Council and a new independent Trustee Neil Smith. Prior to the production of these accounts Professor Helen Driscoll from our founding partner the University of Sunderland was also appointed to the board.

We also welcomed Nick Malyan as our new Chief Executive in September 2024, following the departure of Rebecca Ball to become Director for the North for Arts Council England. We record our thanks to Rebecca for all she did for the organisation and are delighted that Nick has taken up the reins so ably.

The confirmation of the University of Sunderland plans to close the NGC in July 2026 has caused some reputation damage and we continue to work with the University and the City Council to play our part in identifying options for the future of glass making in Sunderland , bolstered by a significant capital grant from ACE is helping the Board to think through the options for longer term delivery and partnerships.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of Sunderland Culture Limited for the purposes of company law) are responsible for preparing the Board of Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year.

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 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.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Robson Laidler Accountants Limited were elected as auditor for the ensuing year at the Annual General Meeting in accordance with section 487 of the Companies Act 2006.

Approved by the Board on …… and signed on their behalf by:

J M Earl
Chair & Trustee



INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF SUNDERLAND CULTURE LIMITED

Opinion

We have audited the financial statements of Sunderland Culture Limited (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, Group and Charitable Company Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the groups and parent charitable company's affairs as at 31 March 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but, is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The risk of material misstatement due to error or fraud has been assessed in conjunction with how internal controls may mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Analytical review and substantive testing is also performed on all material balances and therefore any instances of non-compliance should be identified or considered as insignificant. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team;

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework, in which the charity operates and how the charity complies with that legal and regulatory framework
- inquired with management and those charged with governance about their own identification and assessment of the risks of irregularities, including any know actual, suspected or alleged instances of fraud
- discussed with management and those charged with governance any non-compliance with laws and regulations and how fraud might occur including assessments of how and where the financial statements may be susceptible to fraud.

The risk of management override of controls was also considered an area of potential misstatement due to fraud. Audit procedures performed included testing of manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

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

Nicholas Cunningham MSc BSc ACCA (Senior Statutory Auditor)
For and on Behalf of Robson Laidler Accountants Limited

Statutory Auditor
Fernwood House
Fernwood Road
Jesmond
Newcastle Upon Tyne
NE2 1TJ

Date:

SUNDERLAND CULTURE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025 (INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

Current financial year

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income and endowments from:					
Donations and legacies	**2**	13,518	1,100,006	**1,113,524**	470,547
Charitable activities	**3**	631,700	599,980	**1,231,680**	661,110
Other trading activities	**4**	168,821	-	**168,821**	853,237
Investments		19,677	-	**19,677**	1,392
Other income	**5**	156,987	-	**156,987**	224,629
Total income		990,703	1,699,986	**2,690,689**	2,210,915
Expenditure on:					
Raising funds		(10,109)	-	**(10,109)**	685,852
Charitable activities	**6**	929,502	1,151,690	**2,081,192**	1,425,214
Total expenditure		919,393	1,151,690	**2,071,083**	2,111,066
Net movement in funds		71,310	548,296	**619,606**	99,849
Gross transfers between funds	**17**	75,168	(75,168)	**-**	-
Net movements between funds		146,478	473,128	**619,606**	99,849
Reconciliation of funds					
Fund balances at 1 April 2024	**17**	131,977	168,275	**300,252**	200,403
Fund balances at 31 March 2025	**17**	278,455	641,403	**919,858**	300,252

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025 (INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

Prior financial year

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and endowments from:				
Donations and legacies	**2**	27,704	442,843	**470,547**
Charitable activities	**3**	639,865	21,245	**661,110**
Other trading activities	**4**	853,237	-	**853,237**
Investments		1,392		**1,392**
Other income	**5**	224,629	-	**224,629**
Total income		1,746,827	464,088	**2,210,915**
Expenditure on:				
Raising funds		685,852	-	**685,852**
Charitable activities	**6**	1,028,883	396,331	**1,425,214**
Total expenditure		1,714,735	396,331	**2,111,066**
Net movement in funds		32,092	67,757	**99,849**
Transfers between funds	**17**	-	-	**-**
Net movement in funds		32,092	67,757	**99,849**
Reconciliation of funds				
Fund balances at 1 April 2023	**17**	99,885	100,518	**200,403**
Fund balances at 31 March 2024	**17**	131,977	168,275	**300,252**

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SUNDERLAND CULTURE LIMITED

CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Intangible fixed assets	**12**		**60,134**		11,664
Tangible assets	**13**		**547**		542
			60,681		12,206
Current assets					
Debtors	**15**	**603,043**		598,787	
Cash at bank and in hand		**784,227**		817,897	
		1,387,270		1,416,684	
Creditors: amounts falling due within 1 year	**16**	**(528,093)**		(1,128,638)	
Net current assets			**859,177**		288,046
Net assets			**919,858**		300,252
Reserves					
Unrestricted funds	**17**		**278,455**		131,977
Restricted funds	**17**		**641,403**		168,275
Total reserves			**919,858**		300,252

These financial statements were approved by the Board of Trustees on ……and are signed on their behalf by:

J M Earl
Chair & Trustee

Company registration number: 10098742

The notes on pages 18 to 31 form part of these financial statements

SUNDERLAND CULTURE LIMITED

CHARITY BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Intangible fixed assets	**12**		**60,134**		11,664
Tangible fixed assets	**13**		**547**		542
			60,681		12,206
Current assets					
Debtors	**15**	**603,033**		615,929	
Cash at bank and in hand		**768,624**		783,554	
		1,371,657		1,399,483	
Creditors: amounts falling due within 1 year	**16**	**(522,364)**		(1,111,212)	
Net current assets			**849,293**		288,271
Net assets			**909,974**		300,477
Reserves					
Unrestricted funds	**17**		**268,571**		132,202
Restricted funds	**17**		**641,403**		168,275
Total reserves			**909,974**		300,477

These financial statements were approved by the Board of Trustees on ……and are signed on their behalf by:

J M Earl
Chair & Trustee

Jane Earl

Company registration number: 10098742

The notes on pages 18 to 31 form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

		2025	2024
		£	£
Cash flows from operating activities			
Net cash provided by (used in) operating activities	**19**	**10,677**	561,323
Cash flows from investing activities			
Interest received		**19,677**	1,392
Purchase of tangible fixed assets		**(520)**	-
Purchase of intangible fixed assets		**(63,504)**	(11,664)
Net cash provided by (used in) investing activities		**(44,347)**	(10,272)
Change in cash and cash equivalents		**(33,670)**	551,051
Cash and cash equivalents at the beginning of the year		**817,897**	266,846
Cash and cash equivalents at the end of the year	**20**	**784,227**	817,897

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

1. Accounting policies

Sunderland Culture Limited is a private company limited by guarantee incorporated in England and Wales. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The registered office is National Glass Centre, Liberty Way, Sunderland SR6 0GL.

1.1 Basis of preparation of financial statements

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

The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on a going concern basis. The charity's forecasts and projections for the next 12 months show that the charity should be able to continue in operational existence for that period. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The Trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Sunderland Culture Limited meets the definition of a public benefit entity entry under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2 Basis of consolidation

The group financial statements consolidate the financial statements of the charitable company and its wholly owned subsidiary undertaking, Sunderland Culture Trading Limited, on a line-by-line basis. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

1.3 Fund structure

The charity has restricted funds to account for the donor requiring that the donation must be spent on a particular purpose. All other funds are unrestricted income funds. The funds held in each of these categories are disclosed in the Reserves Notes.

Unrestricted funds comprise those funds which the trustees are free to use for any purpose to furtherance the charitable objectives.

Designated funds are amounts which have been put aside at the discretion of the trustees and are therefore not available for other purposes.

Restricted funds represent grants, donations, legacies and assets which are allocated by the donor for specific purposes.

1.4 **Income**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Grants receivable are recognised when the charity has 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 release.

Donations and legacies are recognised when the charity is notified in writing of both the amount and settlement date. In the event a donation is subject to conditions that require a level of performance by the charity, the income is deferred and not recognised until those conditions are met.

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Where a gift in kind is given to the charity and it can be reliably measured, the gift is shown in both voluntary income and charitable activities.

Investment income is recognised on a receivable basis, when the amount can be measured reliably. This is normally upon notification from the bank.

1.5 **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. 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.

- Raising funds are the costs included of commercial trading including the trading company's activities and the letting operations, together with their associated support costs.

- 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.

- Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the charity's (and group's) activities. The basis on which the support costs have been allocated are set out in the support cost note.

- Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings.

All expenditure is inclusive of irrecoverable VAT,

1.6 **Intangible assets**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives.

1.7 **Fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	- 33 %	straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the statement of financial activities. The group has a policy not to capitalise individual assets costing under £300.

1.8 **Fixed asset investments**

Investments in subsidiaries at valued at cost less provision for impairment.

1.9 **Impairment of fixed assets**

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in profit and loss.

1.10 **Stock**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

1.11 **Trade debtors**

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

1.12 **Trade creditors**

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. Trade creditors are initially recognized at transaction price.

1.13 **Cash at bank and in hand**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.14 **Corporation tax**

As a charity, the company is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

1.15 **Pensions and other post-retirement obligations**

The group operated a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to defined contribution plans are recognized in the Statement of Financial Activities when they are due.

1.16 **Estimation uncertainly and judgements**

The preparation of 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.

2. Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2025 £
Donations	13,518	149,312	162,830
Grants	-	950,694	950,694
	13,518	1,100,006	1,113,524

	Unrestricted funds £	Restricted funds £	Total 2024 £
Donations	27,704	22,402	50,106
Grants	-	420,441	420,441
	27,704	442,843	470,547

3. Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
National Portfolio Organisation	631,700	-	631,700
Arts Council Cultural Compacts	-	599,980	599,980
Other public funding	-	-	-
	631,700	599,980	1,231,680

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
National Portfolio Organisation	634,200	-	634,200
Arts Council Cultural Compacts	-	16,445	16,445
Other public funding	5,665	4,800	10,465
	639,865	21,245	661,110

4. Other trading activities

	Unrestricted funds 2025 £	Total 2025 £	Total 2024 £
Trading income			
Events income	168,821	168,821	853,237
	168,821	168,821	853,237

5. Other income

	Unrestricted funds 2025 £	Total 2025 £	Total 2024 £
HMRC tax relief claim	150,651	150,651	198,185
Other income	6,336	6,336	26,444
	156,987	156,987	224,629

6. Charitable activities

	Total funds 2025 £	Total 2024 £
Staff costs and partner payments (see note 9)	1,138,804	988,623
Programme costs	695,804	217,320
Learning and engagement costs	27,548	26,418
Venue marketing	109,160	66,218
	1,971,316	1,298,579
Support costs (note7)	96,376	115,435
Governance costs (note 7)	13,500	11,200
Total charitable activities	2,081,192	1,425,214
Analysis between funds		
Unrestricted funds	929,502	1,028,883
Restricted funds	1,151,690	396,331
	2,081,192	1,425,214

7. Analysis of support and governance costs

	Support Costs 2025 £	Governance costs 2025 £	Total 2025 £
General office costs	7,856	-	7,856
Memberships and subscriptions	35,255	-	35,255
Telephone and internet	8,152	-	8,152
Legal and professional fees	8,820	-	8,820
Depreciation and amortization	15,549	-	15,549
Other costs	20,744	-	20,744
Auditors' remuneration	-	13,500	13,500
	96,376	13,500	109,876

	Support Costs 2024 £	Governance costs 2024 £	Total 2024 £
General office costs	4,824	-	4,824
Memberships and subscriptions	43,973	-	43,973
Telephone and internet	2,101	-	2,101
Legal and professional fees	22,666	-	22,666
Depreciation and amortization	11,073	-	11,073
Other costs	30,798	-	30,798
Auditors remuneration	-	11,200	11,200
	115,435	11,200	126,635

8. Net incoming / outgoing resources

	Total 202 £	Total 2024 £
Audit fees	13,500	11,200
Depreciation and amortization	15,549	11,073

9. Staff costs

	2025	2024
	£	£
Wages and salaries	555,198	399,598
Social security costs	50,173	50,122
Pension contributions	17,953	17,764
Other staff costs	15,480	21,139
Partner contributions	500,000	500,000
	1,138,804	988,623

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

	2025	2024
	No	No
Managerial	6	5
Officers (including casual staff)	15	37
	21	42

The number of employees whose emoluments fell within the following bands was .

	2025	2024
	No	No
£70,001 - £80,000	-	1

The total employee benefits of the key management personnel of the group were £328,605 (2024 - £263,338)

10. Trustees' remuneration and expenses

During the year, no trustees received any remuneration or other benefits (2024: £nil).

During the year ended 31 March 2025, no trustees' expenses have been incurred (2024: £nil).

11. Taxation

The charity is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12. Intangible fixed assets

Group and charity	Software £	Total £
Cost		
At 1 April 2024	11,664	**11,664**
Additions	63,504	**63,504**
Disposals	-	**-**
At 31 March 2025	75,168	**75,168**
Amortisation		
At 1 April 2024	-	**-**
Charge for the year	15,034	**15,034**
Eliminated on disposals	-	**-**
At 31 March 2025	-	**-**
Net book value		
At 31 March 2025	60,134	**60,134**
At 31 March 2024	11,664	**11,664**

13. Tangible fixed assets

Group and charity	IT Equipment £	Total £
Cost		
At 1 April 2024	22,611	**22,611**
Additions	520	**520**
Disposals	-	**-**
At 31 March 2025	23,131	**23,131**
Depreciation		
At 1 April 2024	22,069	**22,069**
Charge for the year	515	**515**
Eliminated on disposals	-	**-**
At 31 March 2025	22,584	**22,584**
Net book value		
At 31 March 2025	547	**547**
At 31 March 2024	542	**542**

14. Fixed asset investments

Subsidiaries

The following was a subsidiary undertaking of the charity:

Name of undertaking	Nature of business	Class of shares	% Held Direct
Sunderland Culture Trading Limited	Support activities to performing arts	By guarantee	100

Registered office address (UK unless otherwise indicated):

National Glass Centre, Liberty Way, Sunderland SR6 0GL

The financial results of the subsidiary were as follows:

	2025 £	2024 £
Income	**-**	685,627
Expenditure	**10,109**	(685,852)
Profit / (loss) for the year	**10,109**	(225)
Net assets	**9,884**	(225)

15. Debtors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade debtors	**90,113**	3,646	**90,113**	2,269
Amount owed by group undertaking	**-**	-	**-**	25,085
Prepayments	**2,020**	12,171	**2,020**	12,171
Accrued income	**505,435**	529,337	**505,435**	529,337
Other debtors	**5,475**	53,633	**5,465**	47,067
	603,043	598,787	**603,033**	615,929

16. Creditors: amounts falling due within 1 year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade creditors	**436,235**	449,966	**436,235**	449,939
Amounts owed to group undertakings	**-**	-	**15**	-
Taxation and social security	**13,972**	9,723	**17,075**	9,723
Other creditors	**6,832**	-	**-**	-
Accruals and deferred income	**71,054**	668,949	**69,039**	651,550
	528,093	1,128,638	**522,364**	1,111,212

17. Statement of funds

Group	Balance at 1 Apr 2024 £	Income £	Expenditure £	Transfers £	Balance at 31 Mar 2025 £
Unrestricted funds					
General fund	131,977	990,703	919,393	75,168	**278,455**
Restricted funds					
Arts Council England	5,704	733,780	262,974	-	**476,510**
Museums and Galleries	61,931	11,126	64,868	-	**8,189**
National Theatre	55,331	372,050	274,084	-	**153,297**
Local Government	10,053	520,311	463,002	(75,168)	**(7,806)**
Heritage	34,950	46,724	70,461	-	**11,213**
Other restricted funds	306	15,995	16,301	-	**-**
Total restricted funds	168,275	1,699,986	1,151,690	(75,168)	**641,403**
Total funds	300,252	2,690,689	2,071,083	-	**919,858**

17. Statement of funds (continued)

Charity	Balance at 1 Apr 2024 £	Income £	Expenditure £	Transfers £	Balance at 31 Mar 2025 £
Unrestricted funds					
General fund	132,202	990,703	929,502	75,168	**268,571**
Restricted funds					
Arts Council England	5,704	733,780	262,974	-	**476,510**
Museums and Galleries	61,931	11,126	64,868	-	**8,189**
National Theatre	55,331	372,050	274,084	-	**153,297**
Local Government	10,053	520,311	463,002	(75,168)	**(7,806)**
Heritage	34,950	46,724	70,461	-	**11,213**
Other restricted funds	306	15,995	16,301	-	**-**
Total restricted funds	168,275	1,699,986	1,151,690	(75,168)	**641,403**
Total funds	300,477	2,690,689	2,081,192	-	**909,974**

The purpose of the restricted funds is as follows:

- Arts Council England: National arm's length funding body supporting the organisation to deliver it's core objectives.
- Museums and Galleries: Grant funding to support programmes and exhibition delivery within museums and galleries.
- National Theatre: A programme partnership with the National Theatre supporting Theatre performance in Sunderland with partners.
- Local Government – Grant funding from Sunderland City Council to support programme activity across the Sunderland City Centre and surrounding boroughs.
- Heritage – Grant funding specifically to support heritage projects.
- Other Restricted Funds – Grant funding from various Trusts, Foundations and Organisations to support programme delivery.

18. Analysis of net assets between funds

Group	Unrestricted General 2025 £	Restricted 2025 £	Total Funds 2025 £
Intangible fixed assets	60,134	-	60,134
Tangible fixed assets	547	-	547
Net current assets/(liabilities)	217,774	641,403	859,177
Total net assets	278,455	641,403	919,858

Group	Unrestricted General 2024 £	Restricted 2024 £	Total Funds 2024 £
Intangible fixed assets	11,664	-	11,664
Tangible fixed assets	542	-	542
Net current assets/(liabilities)	119,771	168,275	288,046
Total net assets	131,977	168,275	300,252

Charity	Unrestricted General 2025 £	Restricted 2025 £	Total Funds 2025 £
Intangible fixed assets	60,134	-	60,134
Tangible fixed assets	547	-	547
Net current assets/(liabilities)	207,890	641,403	849,293
Total net assets	268,571	641,403	909,974

Charity	Unrestricted General 2024 £	Restricted 2024 £	Total Funds 2024 £
Intangible fixed assets	11,664	-	11,664
Tangible fixed assets	542	-	542
Net current assets/(liabilities)	119,996	168,275	288,271
Total net assets	132,202	168,275	300,477

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

	2025	2024
	£	£
Net income / (expenditure) for the year	**619,606**	99,849
Adjustments for:		
Interest received from investments	**(19,677)**	(1,392)
Depreciation and amortization	**15,549**	11,073
Loss on disposal of fixed assets	**-**	23,084
(Increase) / decrease in debtors	**(4,256)**	218,896
Increase / (decrease) in creditors	**(600,545)**	209,813
Net cash provided by operating activities	**10,677**	561,323

20. Analysis of changes in net debt

	At 1 April 2024	Cash flows	Other non-cash changes	At 31 March 2025
	£	£	£	£
Cash at bank and in hand	817,897	(33,670)	-	**784,227**
	817,897	(33,670)	-	**784,227**

21. Related party transactions

University of Sunderland is related to the charity via virtue of common officers. The charity has incurred costs from the University of Sunderland of £300,000 (2024: £315,407). University of Sunderland has made contributions to incoming resources of £57,697 (2024: £7,114).

At the balance sheet date, the amount due to University of Sunderland was £191,668 (2024: £211,111).

Sunderland City Council is related to the charity via virtue of common officers. The charity has incurred costs from the city council of £203,011 (2024: £200,553). Sunderland City Council also made contributions of incoming resources of £462,511 (2024: £5,382).

At the balance sheet date, the amount due to Sunderland City Council was £156,495 (2024: £211,111).

Sunderland Music, Arts and Culture Trust is related to the charity via virtue of common officers. The charity has incurred costs from Sunderland Music, Arts and Culture Trust of £1,000 (2024: £nil). Sunderland Music, Arts and Culture Trust also made contributions of incoming resources of £96,000 (2024: £75,434).

At the balance sheet date, the amount due to Sunderland Music, Arts and Culture Trust was £nil (2024: £nil).

We Make Culture is related to the charity via virtue of common officers. The charity has incurred costs from We Make Culture of £14,988 (2024: £500).

At the balance sheet date, the amount due to We Make Culture was £2,508 (2024: £nil).

ATG Entertainment Ltd is related to the charity via virtue of common officers. The charity has incurred costs from ATG Entertainment Ltd of £51,529 (2024: £411). ATG Entertainment Ltd also made contributions of incoming resources of £84,300 (2024: £nil).

At the balance sheet date, the amount due to ATG Entertainment Ltd was £14,333 (2024: £nil).

21. Related party transactions (continued)

Tullie House Museum and Gallery Trust is related to the charity via virtue of common officers. The charity has incurred costs from Tullie House Museum and Gallery Trust of £5,400 (2024: £nil).

At the balance sheet date, the amount due to Tullie House Museum and Gallery Trust was £nil (2024: £nil).

SUNDERLAND CULTURE LIMITED

England & Wales - Charity number 1184073

Accounts

Charity registration number 1184073

Company registration number 10098742 (England & Wales)
(A company limited by guarantee)

SUNDERLAND CULTURE LIMITED

Annual report and financial statements

For the year ended 31 March 2024

SUNDERLAND CULTURE LIMITED

CONTENTS

	Page
Reference and administrative details	1
Trustees' Report	2 - 9
Independent Auditors Report	10 - 12
Consolidated Statement of Financial Activities	13 - 14
Consolidated Balance Sheet	15
Charity Balance Sheet	16
Consolidated Cash Flow Statement	17
Notes to the Consolidated Financial Statements	18 - 30

SUNDERLAND CULTURE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A R Mackay G E Callagham J M Earl (Chair) I S Kershaw K Ramanathas P J Mcintyre S I Rymer M Nixon Prof D R Sandbach Prof M W Young M M Daurat – appointed 1 November 2023 Cllr B V Jones – appointed 17 June 2024 N Smith - appointed 8 July 2024
Secretary	I High
Key Personnel	R Ball (Chief Executive) – resigned 31 July 2024 N Malyan (Chief Executive) – appointed 30 September 2024 I High (Director of Finance and Administration)
Company Registration Number	10098742 (England & Wales)
Charity Registration Number	1184073
Registered office	National Glass Centre Liberty Way Sunderland SR6 0GL
Bankers	Handlesbanken 43 Old Elvet Durham DH1 3HN
Auditors	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle upon Tyne NE2 1TJ

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The charitable company's object and principal activity is to:

- Advance the arts and culture and to advance education in the arts of performance, music, drama, poetry reading, sculpture, painting, photography, handicrafts, literature, glass making, history, film and all other associated arts ("the Arts") in particular, but not exclusively by:

- Encouraging public participation in the Arts by the presentation of concerts, performances, exhibitions and festivals, provided that the promotion of such festivals and events is undertaken solely for the public benefit;

- Developing new and innovative ways of delivering the Arts;

- Participating in and, where appropriate, management and oversight of, cultural operations, venues and activities primarily in the City of Sunderland to ensure maximum benefit and return, provided that such participation and management is undertaken solely for public benefit.

ACHIEVEMENTS AND PERFORMANCE

Sunderland Culture's mission is to improve life for everyone in Sunderland through culture. We are a pioneering place-based partnership formed in 2016, by University of Sunderland, Sunderland City Council and Sunderland Music, Arts and Culture Trust, to take forward an ambitious cultural vision for the city.

Firmly place-focused in our creative and cultural ambition, we work across Sunderland to ensure the power of art, culture and creativity is harnessed for the benefit of the city and its people. We are an independent company limited by guarantee, a registered charity and have a trading subsidiary, Sunderland Culture Trading which became dormant from 1 October. Through a Collaboration Agreement, we build on our founding partners' civic, educational and philanthropic commitment to Sunderland's communities and to realising the city's cultural potential. We bring together the assets, activities and resources from the three partners, alongside investment from Arts Council England, other charitable trusts and foundations and earned income.

To achieve our place-based mission, we are guided by five core aims:

- Building the city's profile and reputation
- Growing our creative economy
- Building confidence and aspiration in young people
- Improving health and wellbeing
- Creating connectivity amongst our communities

We achieve impact by enabling wide ranging and deep cultural engagement, strengthening the city's creative ecology and facilitating world-class cultural opportunities for people to experience. Key to achieving this is supporting other arts and community organisations in the city to increase the breadth of cultural activities and opportunities.

During 2023/24 we delivered a city-wide creative programme of visual and performing arts with communities across the city and in five cultural venues

- Arts Centre Washington
- National Glass Centre
- Northern Gallery for Contemporary Art
- Sunderland Museum & Winter Gardens
- The Fire Station.

We delivered a diverse cultural programme with 180 exhibitions, performances and events. We welcomed 580,000 visitors to the venues, with over 29,000 people taking part in creative activities. We worked with over 75 community, research and creative partners to achieve inclusion and reach across the city. This included creative and cultural organisations including, the National Theatre, Seven Stories, Natural History Museum, British Museum, Two Temple Place, V & A and Arts Council Collection, alongside community organisations including Young Asian Voices, Pallion Action Group, Friends of the Drop In, Sangini, the African and Caribbean Community Association North-East. We are grateful to all of them for their support and partnership. Key delivery against our ambitions in 2023/24 include –

Building the city's profile and reputation

Taylor & Lionheart, Mike Nelson
Hybrid Scripts was the first solo exhibition in the North East in nearly 30 years by internationally acclaimed British artist Mike Nelson. The exhibition comprised two seminal early sculptural installations Taylor and Lionheart, reflecting on Britain's colonial past, migration, trade and travel. The selection of artwork was part of Arts Council Collection's pilot project Borrow Big! which supports arts organisations in exploring large-scale, site specific works from the Collection.

NHM Touring Exhibition Wildlife Photographer of the Year
The much-loved Natural History Museum Touring Exhibition Wildlife Photographer of the Year featured photography exploring the planet's habitats, from sprawling urban metropolises to the deep polar seas, and the creatures that rely on these places, showing first-hand how human activities, both good and bad, are shaping the natural world we rely on.

Glass World
Glass World showed the global reach and exceptional calibre of the National Glass Centre collection and included work by artists from or based in thirty different counties, including Sweden, New Zealand and Japan.

***Heart of Glass* at Two Temple Place**
Sunderland's glass pedigree was profiled in a new exhibition at Two Temple Place which brought together for the very first time rarely seen works from key UK glass collections. The Glass Heart was produced in partnership with Stourbridge Glass Museum, Stained Glass Museum, Ely and National Glass Centre. The exhibition plotted key moments through the UK's glassmaking history and celebrated the makers and artists, from the mid-19th century through to the experimental art form that it is today.

Growing *our creative economy*
Creative Forums and the City Compact
During 23-24, Sunderland Culture hosted creative forums at Pop Recs and Seventeen Nineteen. Each event was attended by over 70 artists and creative businesses from across the city. We also worked with Sunderland City Council to establish a new city Compact for Sunderland, providing a strong forum to take forward shared ambitions for cultural development in the city.

Showcasing emerging talent

NGCA supported 3 new exhibitions from talented early career artists in the Collection Space - Jhannee Wilkins showcased two powerful new series of works - 'Black Britain' which explored Black British heritage, and 'Likkle Paradise', a photographic celebration of the Windrush generation - 900 miles: (From Home), was the first UK solo exhibition by Middlesbrough-born and Newcastle based artist-photographer, printmaker and researcher Jade Sweeting. It was inspired and dedicated to 'every woman who rides a motorbike, who gets their hands dirty and who wants to be free.' And Seb Trend's exhibition XTRALIFE explored the states 'in-between': molten and solid, representation and abstraction and permanence and momentary, through an exhibition that blended of photography and painting.

Investment in artists and creative industries

We were delighted to secure investment through UKSPF for the next phase of the Unlock programme which supports the creative and business development of Sunderland based artists and creatives. The new programme will launch in April 2024.

Building confidence and aspiration in young people

Elmer and Friends: The Colourful World of David McKee

An exhibition from Seven Stories, The National Centre for Children's Books, Elmer and Friends was a major retrospective of the late author and illustrator David McKee celebrating over 30 years of Elmer the Patchwork Elephant, McKee's most well-known creation.

Celebrate Different

Celebrate Different Collective developed their own creative programme of events and exhibitions for 23/24 including the Proggy Pride event at Sunderland Museum and Winter Gardens in Sept and the Bright Lights Youth Arts Festival at Arts Centre Washington. In Summer 2023, Celebrate Different were awarded the 2022 North East Regional March Award for Volunteers in Museum Learning.

Speak Up

Through our partnership with National Theatre and the Sunderland Empire, we worked with young people in Oxclose Academy, Beacon of Light School, Hetton Academy, Thornhill and Barbara Priestman.

Bright Lights Youth Arts Exhibition and Festival

Bright Lights annual youth arts exhibition showcased some of the most exciting artwork by young people aged 11-19 in Sunderland, curated by the Celebrate Different Collective. This year they choose the theme -*Bodies, Brains, Big Issues and Bits*. The festival celebrated the talent of young people in the city with performances from Washington Youth Theatre musicians and bands, film screenings from the Young Filmmakers group, displays and workshops all created by and for young people, and programmed by ACW's Leading Lights steering group.

Culture Start

We are thrilled to have secured £1.5 million to launch Culture Start - a partnership between Together for Children, Children North East, North East Youth, Gentoo, Sunderland College, University of Sunderland, the Local Cultural Education Partnership, MAC Trust and Sunderland Culture, with all partners committed to working together to significantly increase equality of access to cultural opportunities for children and young people impacted by poverty in Sunderland.

Improving health and wellbeing

Creative You
2023/4 was the second year of our Creative You programme in Arts Centre Washington, which was a huge success - increasing cultural opportunities for young people in Washington.

Creative Age
We continued our Creative Age groups for people affected by dementia and their carers at Arts Centre Washington and Sunderland Museum and Winter Gardens. The group's work was presented in their own exhibition at Arts Centre Washington in Summer 2023.

Wild Escape – Spring Summer 2023
SMWG took part in this national project led by Art Fund to enable people to explore the wildlife found in Museum Collections. During Summer 2023 the team worked with children, young people and families to respond creatively to the threat to the UK's natural environment and biodiversity.

Creating connectivity amongst our communities

Amra-shobai-aikhaney (We-are-here),
Sunderland Women's Art Group curated this exhibition to mark 20 years of Sangini and its work through involving women from diverse communities, to present a creative response to the ethos of friendship, care, diversity, resilience and cultural activism that informs Sangini's work and created a 'space' that was diverse, welcoming and inspiring.

The Odyssey
Through our partnership with National Theatre and Sunderland Empire, The Odyssey was an epic multi-venue production, reimagined with hundreds of community members in five episodes nationwide, including Sunderland. The fourth episode, The Island of the Sun, took place at The Fire Station in Sunderland in April 2023 and featured 26 participants, with an epic finale bringing performers from all five locations together on the National Theatre's Olivier stage in August 2023.

Sun Cultures
Inspired by the British Museum Spotlight Loan, Gathering light: a Bronze Age golden sun, participants from ethnically diverse community groups in Sunderland worked with artists to create artworks and performances inspired by the Sun and shared their stories about the Sun's significance in their lives. Their responses were brought together in the Sun Cultures exhibition.

Here are just a few of the quotes received from some of our participants who have been involved in some of our programmes and activities.

"Places like this, that put on events like this, is all going to help...young people" Lottie, participant in Bright Lights Youth Festival.

"The support from Sunderland Culture and Arts Centre Washington helped some of the most marginalised women to have access to the centre and enjoy the exhibition...This partnership has manifested into a trustful relationship, increasing our confidence and belief in continuing to provide a platform for diverse women's voices on the wider cultural landscape." Padma Rao, Director of Sangini, talking about the We Are Here exhibition at Arts Centre Washington.

"Through my involvement of working with Sunderland Culture as a member of Celebrate Different Collective the skills I have gained and range of experiences I have had. I have seen a boost in my confidence in myself and my arts practice. I am more open to helping out in communities and to communicating with people in both a social and work setting. I have made lots of friends and become more aware of other fellow creatures." Jack, Celebrate Different Collective Member.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustees, who are also directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

A R Mackay
G E Callagham
J M Earl (Chair)
I S Kershaw
K Ramanathas
P J Mcintyre
S I Rymer
M Nixon
Prof D R Sandbach
Prof M W Young
M M Daurat
Cllr B V Jones
N Smith
Cllr J Price – resigned 17 June 2024
L Williams - resigned 19 May 2023
J D Mowbray - resigned 19 June 2023
I B Wimpenny – resigned 31 March 2024

Governance

During 2023/24 two of our Trustees John Mowbray from MAC Trust and Cllr Linda Williams from Sunderland City Council resigned from the Board. We are very grateful to them both for their contributions to Sunderland Culture. In their place, we were very pleased to welcome two new Trustees from our founding partners – Michelle Daurat from MAC Trust and Cllr John Price from Sunderland City Council, At the end of the year Iraa Wimpenny resigned after being on the board since 2016, we are really grateful for her support and wish her well with her next projects.

In October 2023, governance and management of The Fire Station transferred to Pub Culture. This involved the TUPE transfer of all Sunderland Culture employees who worked fully on the programme. A transition arrangement was in place until January 2024 which provided Pub Culture with access to Spektrix, Artifax and the Sunderland Culture website.

The National Glass Centre was temporarily fully closed as a result of damage caused by Storm Babet, the venue partially reopened in November but much of the building remains inaccessible. This has impacted on visitor numbers and the use of space, which in turn has impacted earned income. Alongside the news about the closure of the building has resulted in reputational damage to the venue.

FINANCIAL REVIEW

The Sunderland Culture Finance Committee met bi-monthly during this financial year, supported by Rebecca Ball, CEO and Ian High, Director of Finance and Administration.

The Chair of the Finance Committee briefs the full charity board during the quarterly board meetings of the financial performance of the organisation. We would like to thank Roy Sandbach for his work as chair.

Prior to the transfer of the operational management of the Fire Station the Sunderland Culture Trading Co board also met quarterly to discuss performance of the Fire Station venue, with the Chair of the Trading Co board updating the Charity board at its quarterly board meetings.

Systems continue to be prioritised and implemented within the organisations financial structure including.

- Payment approvals authorised by only the CEO and DOF with cover for leave from an additional two authorised bank users.
- Stringent controls with onboarding new suppliers such as verbal bank details checks, confirming Vat and Company registration numbers.
- A well-functioning purchase order system to support internal controls.
- Card/expense application providing more control and flexibility managed by DOF.
- Payroll application to manage and support the processing monthly payments.
- Internal supplier ordering system for certain go to suppliers.

During the financial year to 31 March 2024 the number of staff employed directly through Sunderland Culture decreased from 68 to 16.

We continue to focus to minimise back office and governance costs to allow us to invest our resources in projects and programme which deliver our mission. Sunderland Culture continue to contribute to the salary costs of employees directly employed by our founding partners who support the delivery of programme across the five core venues.

Sunderland Culture became a Real Living Wage employer from 1 April 2023.

The investment through Arts Council England's NPO programme of £634,200 p/a continued to provide vital support for the organisation's core activities and operations, we are incredibly grateful for an uplift in funding from ACE from our previous annual amount of NPO funding of £509,200. In addition, we continue to be very grateful to our other funders who provide restricted funding to support our creative programme and projects. We must also note the considerable support and ongoing investment of our founding partners with respect to the maintenance, operation, and management of the core venues. This investment may be in-kind, but it remains crucial in enabling the delivery of the cultural programme. We are indebted to our partners for their continued investment and support for culture in Sunderland, without which Sunderland Culture would not be able to continue to deliver its programmes.

The Trustees considered it appropriate to hold the equivalent of three months of total income which would equate to holding approximately £215,000 in free reserves. The board are committed to rebuilding the free reserves to this level over the next four years. At the year end, free reserves were £119,771 (2023: £65,186) an increase of £54,585 as a result of the surplus in the year.

PLANS FOR THE FUTURE

The beginning of 2024/25 saw the launch of a new major project for Sunderland Culture. Culture Start - a partnership between Together for Children, Children North East, North East Youth, Gentoo, Sunderland College, University of Sunderland, the Local Cultural Education Partnership, MAC Trust and Sunderland Culture, with all partners committed to working together to significantly increase equality of access to cultural opportunities for children and young people impacted by poverty in Sunderland. We are also really pleased to have relaunched our Unlock programme which supports the creative and business development of Sunderland based artists and creatives.

Thanks to support from UKSPF, 2024 /5 will also see the launch of Sunderland Culture's brand new website which has been developed by Substrakt. In July 2024, Chief Executive Rebecca Ball will step down from the organisation to take on a new role as Area Director North for Arts Council England and we are delighted that Nick Malyan will be joining us from September to take on the role of Chief Executive.

There remains ongoing challenges and uncertainties around the future location of National Glass Centre and Northern Gallery of Contemporary Art. The University of Sunderland has decided that it will need to close the National Glass Centre building in July 2026 due to the costs of the repair and maintenance of the building required to make it sustainable for the long term in addition to operational costs. The University are actively looking at alternative locations for many of the facilities within the NGC. Sunderland Culture continues to work closely with the University and Sunderland City Council to ensure that the city's unique glass culture and heritage is safeguarded for the future.

List of funds

- Ambassador Theatre Group – The National Theatre Partnership
- Art Fund – Jonathan Ruffer Curatorial Research and Going Places Programme
- Arts Council England – Cultural Compact Consolidation
- Arts Council England – Cultural Compacts Place Based Peer Learning Programme
- Arts Council England – Culture Start
- Arts Council England – National Portfolio Organisation (NPO)
- Arts & Philanthropy Trust
- Association of Independent Museums – Connected Communities Programme
- Community Foundation – High Sheriff Award – Creative You Programme
- Community Foundation – I Will Fund
- Culture, Health and Wellbeing Alliance – Working Together Programme
- Durham Freemasons – Creative Age Programme
- Esmee Fairburn Foundation – Collection Fund
- Film Hub North – Film Hub Film Programme
- Heritage Open Days – National Trust New Wave Programme
- Marsh Charitable Trust – Celebrate Different Programme
- National Lottery Heritage Fund – Washington Heritage Partnership
- Queens Theatre Hornchurch – The National Theatre Partnership
- Ruthin Craft Centre – Four Nations International Fund
- Southbank Centre – Arts Council Collection Borrow Big Programme
- Sunderland City Council – Community Led Local Development (CLLD)
- Sunderland City Council – Creative You Programme
- Sunderland City Council – UK Shared Prosperity Fund (UKSPF)
- Tate Gallery – Tate British Art Network
- The Albany – Family Arts Network
- The National Theatre – The National Theatre Partnership
- University of Sunderland – ERDF Internship Programme
- York Museums Trust – Wild Escape Programme

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of Sunderland Culture Limited for the purposes of company law) are responsible for preparing the Board of Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year.

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 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.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Robson Laidler Accountants Limited were elected as auditor for the ensuing year at the Annual General Meeting in accordance with section 487 of the Companies Act 2006.

Approved by the Board on 11 December 2024 and signed on their behalf by:

J M Earl
Chair & Trustee

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF SUNDERLAND CULTURE LIMITED

Opinion

We have audited the financial statements of Sunderland Culture Limited (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, Group and Charitable Company Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the groups and parent charitable company's affairs as at 31 March 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but, is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The risk of material misstatement due to error or fraud has been assessed in conjunction with how internal controls may mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Analytical review and substantive testing is also performed on all material balances and therefore any instances of non-compliance should be identified or considered as insignificant. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team;

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework, in which the charity operates and how the charity complies with that legal and regulatory framework
- inquired with management and those charged with governance about their own identification and assessment of the risks of irregularities, including any know actual, suspected or alleged instances of fraud
- discussed with management and those charged with governance any non-compliance with laws and regulations and how fraud might occur including assessments of how and where the financial statements may be susceptible to fraud.

The risk of management override of controls was also considered an area of potential misstatement due to fraud. Audit procedures performed included testing of manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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



Nicholas Cunningham MSc BSc ACCA (Senior Statutory Auditor)
For and on Behalf of Robson Laidler Accountants Limited

Statutory Auditor
Fernwood House
Fernwood Road
Jesmond
Newcastle Upon Tyne
NE2 1TJ

Date: 11-12-2024

SUNDERLAND CULTURE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024 (INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

Current financial year

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and endowments from:					
Donations and legacies	2	27,704	442,843	**470,547**	413,188
Charitable activities	3	639,865	21,245	**661,110**	776,611
Other trading activities	4	853,237	-	**853,237**	1,166,484
Investments		1,392	-	**1,392**	-
Other income	5	224,629	-	**224,629**	129,426
Total income		1,746,827	464,088	**2,210,915**	2,485,709
Expenditure on:					
Raising funds		685,852	-	**685,852**	1,166,484
Charitable activities	6	1,028,883	396,331	**1,425,214**	1,756,951
Total expenditure		1,714,735	396,331	**2,111,066**	2,923,435
Net movement in funds		32,092	67,757	**99,849**	(437,726)
Gross transfers between funds	17	-	-	-	-
Net movements between funds		32,092	67,757	**99,849**	(437,726)
Reconciliation of funds					
Fund balances at 1 April 2023	17	99,885	100,518	**200,403**	638,129
Fund balances at 31 March 2024	17	131,977	168,275	**300,252**	200,403

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024 (INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

Prior financial year

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and endowments from:				
Donations and legacies	2	49,818	363,370	**413,188**
Charitable activities	3	591,981	184,630	**776,611**
Other trading activities	4	1,166,484	-	**1,166,484**
Other income	5	129,426	-	**129,426**
Total income		1,937,709	548,000	**2,485,709**
Expenditure on:				
Raising funds		1,166,484	-	**1,166,484**
Charitable activities	6	1,051,946	705,005	**1,756,951**
Total expenditure		2,218,430	705,005	**2,923,435**
Net movement in funds		(280,721)	(157,005)	**(437,726)**
Transfers between funds	17	(68,402)	68,402	**-**
Net movement in funds		(349,123)	(88,603)	**(437,726)**
Reconciliation of funds				
Fund balances at 1 April 2022	17	449,008	189,121	**638,129**
Fund balances at 31 March 2023	17	99,885	100,518	**200,403**

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SUNDERLAND CULTURE LIMITED

CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Intangible fixed assets	12		**11,664**		-
Tangible assets	13		**542**		34,699
			12,206		34,699
Current assets					
Debtors	15	**598,787**		817,683	
Cash at bank and in hand		**817,897**		266,846	
		1,416,684		1,084,529	
Creditors: amounts falling due within 1 year	16	**(1,128,638)**		(918,825)	
Net current assets			**288,046**		165,704
Net assets			**300,252**		200,403
Reserves					
Unrestricted funds	17		**131,977**		99,885
Restricted funds	17		**168,275**		100,518
Total reserves			**300,252**		200,403

These financial statements were approved by the Board of Trustees on 11 December 2024 and are signed on their behalf by:

J M Earl
Chair & Trustee

Company registration number: 10098742

The notes on pages 18 to 30 form part of these financial statements

SUNDERLAND CULTURE LIMITED

CHARITY BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Intangible fixed assets	12		**11,664**		-
Tangible fixed assets	13		**542**		34,699
			12,206		34,699
Current assets					
Debtors	15	**615,929**		660,257	
Cash at bank and in hand		**783,554**		230,394	
		1,399,483		890,651	
Creditors: amounts falling due within 1 year	16	**(1,111,212)**		(724,947)	
Net current assets			**288,271**		165,704
Net assets			**300,477**		200,403
Reserves					
Unrestricted funds	17		**132,202**		99,885
Restricted funds	17		**168,275**		100,518
Total reserves			**300,477**		200,403

These financial statements were approved by the Board of Trustees on 11 December 2024 and are signed on their behalf by:

J M Earl
Chair & Trustee

Company registration number: 10098742

The notes on pages 18 to 30 form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

		2024	2023
		£	£
Cash flows from operating activities			
Net cash provided by (used in) operating activities	19	**561,323**	(38,310)
Cash flows from investing activities			
Interest received		**1,392**	-
Purchase of tangible fixed assets		**-**	(1,293)
Purchase of intangible fixed assets		**(11,664)**	-
Net cash provided by (used in) investing activities		**(10,272)**	(1,293)
Change in cash and cash equivalents		**551,051**	(39,603)
Cash and cash equivalents at the beginning of the year		**266,846**	306,449
Cash and cash equivalents at the end of the year	20	**817,897**	266,846

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

1. Accounting policies

Sunderland Culture Limited is a private company limited by guarantee incorporated in England and Wales. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The registered office is National Glass Centre, Liberty Way, Sunderland SR6 0GL.

1.1 Basis of preparation of financial statements

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

The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on a going concern basis. The charity's forecasts and projections for the next 12 months show that the charity should be able to continue in operational existence for that period. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The Trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Sunderland Culture Limited meets the definition of a public benefit entity entry under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2 Basis of consolidation

The group financial statements consolidate the financial statements of the charitable company and its wholly owned subsidiary undertaking, Sunderland Culture Trading Limited, on a line-by-line basis. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

1.3 Fund structure

The charity has restricted funds to account for the donor requiring that the donation must be spent on a particular purpose. All other funds are unrestricted income funds. The funds held in each of these categories are disclosed in the Reserves Notes.

Unrestricted funds comprise those funds which the trustees are free to use for any purpose to furtherance the charitable objectives.

Designated funds are amounts which have been put aside at the discretion of the trustees and are therefore not available for other purposes.

Restricted funds represent grants, donations, legacies and assets which are allocated by the donor for specific purposes.

1.4 **Income**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Grants receivable are recognised when the charity has 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 release.

Donations and legacies are recognised when the charity is notified in writing of both the amount and settlement date. In the event a donation is subject to conditions that require a level of performance by the charity, the income is deferred and not recognised until those conditions are met.

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Where a gift in kind is given to the charity and it can be reliably measured, the gift is shown in both voluntary income and charitable activities.

Investment income is recognised on a receivable basis, when the amount can be measured reliably. This is normally upon notification from the bank.

1.5 **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. 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.

- Raising funds are the costs included of commercial trading including the trading company's activities and the letting operations, together with their associated support costs.

- 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.

- Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the charity's (and group's) activities. The basis on which the support costs have been allocated are set out in the support cost note.

- Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings.

All expenditure is inclusive of irrecoverable VAT,

1.6 **Intangible assets**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives.

1.7 **Fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	- 33 %	straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the statement of financial activities. The group has a policy not to capitalise individual assets costing under £300.

1.8 **Fixed asset investments**

Investments in subsidiaries at valued at cost less provision for impairment.

1.9 **Impairment of fixed assets**

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared against its carrying amount. Where the estimated recoverable amount is lower, an impairment loss is recognised immediately in profit and loss.

1.10 **Stock**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

1.11 **Trade debtors**

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

1.12 **Trade creditors**

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. Trade creditors are initially recognized at transaction price.

1.13 **Cash at bank and in hand**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.14 **Corporation tax**

As a charity, the company is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

1.15 **Pensions and other post-retirement obligations**

The group operated a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to defined contribution plans are recognized in the Statement of Financial Activities when they are due.

1.16 **Estimation uncertainly and judgements**

The preparation of 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.

2. Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2024 £
Donations	27,704	22,402	50,106
Grants	-	420,441	420,441
	27,704	442,843	470,547

	Unrestricted funds £	Restricted funds £	Total 2023 £
Donations	29,818	12,584	42,403
Grants	-	350,786	350,786
Gifts in kind	20,000	-	20,000
	49,818	363,370	413,188

3. Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
National Portfolio Organisation	634,200	-	634,200
Arts Council Cultural Compacts	-	16,445	16,445
Other public funding	5,665	4,800	10,465
	639,865	21,245	661,110

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
National Portfolio Organisation	591,981	-	591,981
Venue Programme	-	70,431	70,431
National Partners Programme	-	39,699	39,699
Ambition for Excellence	-	74,500	74,500
	591,981	184,630	776,611

4. Other trading activities

	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
Trading income			
Events income	853,237	853,237	1,166,484
	853,237	853,237	1,166,484

5. Other income

	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
HMRC tax relief claim	198,185	198,185	-
Other income	26,444	26,444	129,426
	224,629	224,629	129,426

6. Charitable activities

	Total funds 2024 £	Total 2023 £
Staff costs and partner payments (see note 9)	988,623	1,026,608
Programme costs	217,320	274,433
Learning and engagement costs	26,418	30,900
Venue marketing	66,218	67,547
Exhibition costs	-	208,218
	1,298,579	1,607,706
Support costs (note7)	115,435	135,495
Governance costs (note 7)	11,200	13,750
Total charitable activities	1,425,214	1,756,951
Analysis between funds		
Unrestricted funds	1,028,883	1,051,946
Restricted funds	396,331	705,005
	1,425,214	1,756,951

7. Analysis of support and governance costs

	Support Costs 2024	Governance costs 2024	Total 2024
	£	£	£
General office costs	4,824	-	4,824
Memberships and subscriptions	43,973	-	43,973
Telephone and internet	2,101	-	2,101
Legal and professional fees	22,666	-	22,666
Depreciation	11,073	-	11,073
Other costs	30,798	-	30,798
Auditors' remuneration	-	11,200	11,200
	115,435	11,200	126,635

	Support Costs 2023	Governance costs 2023	Total 2023
	£	£	£
General office costs	12,770	-	12,770
Memberships and subscriptions	26,373	-	26,373
Telephone and internet	5,310	-	5,310
Legal and professional fees	13,308	-	13,308
Depreciation	24,555	-	24,555
Other costs	53,179	-	53,179
Auditors remuneration	-	13,750	13,750
	135,495	13,750	149,245

8. Net incoming / outgoing resources

	Total 2024	Total 2023
	£	£
Audit fees	11,200	13,750
Depreciation	11,073	24,555

9. Staff costs

	2024	2023
	£	£
Wages and salaries	399,598	436,511
Social security costs	50,122	71,691
Pension contributions	17,764	18,406
Other staff costs	21,139	-
Partner contributions	500,000	500,000
	988,623	1,026,608

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

	2024	2023
	No	No
Managerial	5	5
Officers (including casual staff)	37	49
	42	54

The number of employees whose emoluments fell within the following bands was

	2024	2023
	No	No
£70,001 - £80,000	1	1

The total employee benefits of the key management personnel of the group were £263,338 (2023 - £246,685)

10. Trustees' remuneration and expenses

During the year, no trustees received any remuneration or other benefits (2023: £nil).

During the year ended 31 March 2024, no trustees' expenses have been incurred (2023: £nil).

11. Taxation

The charity is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12. Intangible fixed assets

Group and charity	Software £	Total £
Cost		
At 1 April 2023	-	-
Additions	11,664	**11,664**
Disposals	-	-
At 31 March 2024	11,664	**11,664**
Amortisation		
At 1 April 2023	-	-
Charge for the year	-	-
Eliminated on disposals	-	-
At 31 March 2024	-	-
Net book value		
At 31 March 2024	11,664	**11,664**
At 31 March 2023	-	-

13. Tangible fixed assets

Group and charity	IT Equipment £	Total £
Cost		
At 1 April 2023	85,357	**85,357**
Additions	-	-
Disposals	(62,746)	**(62,746)**
At 31 March 2024	22,611	**22,611**
Depreciation		
At 1 April 2023	50,658	**50,658**
Charge for the year	11,073	**11,073**
Eliminated on disposals	(39,662)	**(39,662)**
At 31 March 2024	22,069	**22,069**
Net book value		
At 31 March 2024	542	**542**
At 31 March 2023	34,699	**34,699**

14. Fixed asset investments

Subsidiaries

The following was a subsidiary undertaking of the charity:

Name of undertaking	Nature of business	Class of shares	% Held Direct
Sunderland Culture Trading Limited	Support activities to performing arts	By guarantee	100

Registered office address (UK unless otherwise indicated):

National Glass Centre, Liberty Way, Sunderland SR6 0GL

The financial results of the subsidiary were as follows:

	2024 £	2023 £
Income	**685,627**	1,166,484
Expenditure	**(685,852)**	(1,166,484)
Profit / (loss) for the year	**(225)**	-
Net assets	**(225)**	-

15. Debtors

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade debtors	**3,646**	106,328	**2,269**	77,461
Amount owed by group undertaking	**-**	-	**25,085**	-
Prepayments	**12,171**	23,062	**12,171**	11,426
Accrued income	**529,337**	639,846	**529,337**	494,633
Other debtors	**53,633**	48,447	**47,067**	76,737
	598,787	817,683	**615,929**	660,257

16. Creditors: amounts falling due within 1 year

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade creditors	**449,966**	489,708	**449,939**	445,719
Amounts owed to group undertakings	**-**	-	**-**	168,415
Taxation and social security	**9,723**	18,782	**9,723**	18,782
Other creditors	**-**	3,732	**-**	-
Accruals and deferred income	**668,949**	406,603	**651,550**	92,031
	1,128,638	918,825	**1,111,212**	724,947

17. Statement of funds

Group	Balance at 1 Apr 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 Mar 2024 £
Unrestricted funds					
General fund	99,885	1,746,827	1,714,735	-	**131,977**
Restricted funds					
Arts Council England	-	16,445	10,741	-	**5,704**
Museums and Galleries	2,448	69,266	9,783	-	**61,931**
National Theatre	76,261	77,861	98,791	-	**55,331**
Local Government	(3,752)	224,822	211,017	-	**10,053**
Heritage	-	37,886	2,936	-	**34,950**
Other restricted funds	25,561	37,808	63,063	-	**306**
Total restricted funds	100,518	464,088	396,331	-	**168,275**
Total funds	200,403	2,210,915	2,111,066	-	**300,252**

17. **Statement of funds (continued)**

Company	Balance at 1 Apr 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 Mar 2024 £
Unrestricted funds					
General fund	99,885	1,061,200	1,028,883	-	**132,202**
Restricted funds					
Arts Council England	-	16,445	10,741	-	**5,704**
Museums and Galleries	2,448	69,266	9,783	-	**61,931**
National Theatre	76,261	77,861	98,791	-	**55,331**
Local Government	(3,752)	224,822	211,017	-	**10,053**
Heritage	-	37,886	2,936	-	**34,950**
Other restricted funds	25,561	37,808	63,063	-	**306**
Total restricted funds	100,518	464,088	396,331	-	**168,275**
Total funds	200,403	1,525,288	1,425,214	-	**300,477**

The purpose of the restricted funds is as follows:

- Arts Council England: National arm's length funding body supporting the organisation to deliver it's core objectives.
- Museums and Galleries: Grant funding to support programmes and exhibition delivery within museums and galleries.
- National Theatre: A programme partnership with the National Theatre supporting Theatre performance in Sunderland with partners.
- Local Government – Grant funding from Sunderland City Council to support programme activity across the Sunderland City Centre and surrounding boroughs.
- Heritage – Grant funding specifically to support heritage projects.
- Other Restricted Funds – Grant funding from various Trusts, Foundations and Organisations to support programme delivery.

18. Analysis of net assets between funds

Group	Unrestricted General 2024 £	Restricted 2024 £	Total Funds 2024 £
Intangible fixed assets	11,664	-	11,664
Tangible fixed assets	542	-	542
Net current assets/(liabilities)	119,771	168,275	288,046
Total net assets	131,977	168,275	300,252

Group	Unrestricted General 2023 £	Restricted 2023 £	Total Funds 2023 £
Tangible fixed assets	34,699	-	34,699
Net current assets/(liabilities)	65,186	100,518	165,704
Total net assets	99,885	100,518	200,403

Charity	Unrestricted General 2024 £	Restricted 2024 £	Total Funds 2024 £
Intangible fixed assets	11,664	-	11,664
Tangible fixed assets	542	-	542
Net current assets/(liabilities)	119,996	168,275	288,271
Total net assets	132,202	168,275	300,477

Charity	Unrestricted General 2023 £	Restricted 2023 £	Total Funds 2023 £
Tangible fixed assets	34,699	-	34,699
Net current assets/(liabilities)	65,186	100,518	165,704
Total net assets	99,885	100,518	200,403

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

	2024	2023
	£	£
Net income / (expenditure) for the year	**99,849**	(437,726)
Adjustments for:		
Interest received from investments	**(1,392)**	-
Depreciation	**11,073**	24,555
Loss on disposal of fixed assets	**23,084**	-
(Increase) / decrease in debtors	**218,896**	36,979
Increase / (decrease) in creditors	**209,813**	337,882
Net cash provided by operating activities	**561,323**	(38,310)

20. Analysis of changes in net debt

	At 1 April 2023	Cash flows	Other non-cash changes	At 31 March 2024
	£	£	£	£
Cash at bank and in hand	266,846	551,051	-	**817,897**
	266,846	551,051	-	**817,897**

21. Related party transactions

University of Sunderland is related to the charity via virtue of common officers. The charity has incurred costs from the University of Sunderland of £315,407 (2023: £440,756). University of Sunderland has made contributions to incoming resources of £7,114 (2023: £10,301). The University of Sunderland also provide two office spaces for use by Sunderland Culture which they do not charge for, this has been shown as a gift in kind of £nil (2023: £20,000).

At the balance sheet date, the amount due to University of Sunderland was £204,310 (2023: £193,833).

Sunderland City Council is related to the charity via virtue of common officers. The charity has incurred costs from the city council of £200,553 (2023: £262,028). Sunderland City Council also made contributions of incoming resources of £5,382 (2023: £126,217).

At the balance sheet date, the amount due to Sunderland City Council was £211,111 (2023: £200,200).

Sunderland Music, Arts and Culture Trust is related to the charity via virtue of common officers. The charity has incurred costs from Sunderland Music, Arts and Culture Trust of £0 (2023: £0). Sunderland Music, Arts and Culture Trust also made contributions of incoming resources of £75,434 (2023: £45,000).

At the balance sheet date, the amount due to Sunderland Music, Arts and Culture Trust was £0 (2023: £0).

We Make Culture is related to the charity via virtue of common officers. The charity has incurred costs from We Make Culture of £500 (2023: £1,000).

At the balance sheet date, the amount due to We Make Culture was £0 (2023: £0).

SUNDERLAND CULTURE LIMITED

England & Wales - Charity number 1184073

Accounts

Company registration number: 10098742

Charity registration number: 1184073

SUNDERLAND CULTURE LIMITED

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

Sunderland Culture Limited

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 11
Independent Auditors' Report	12 to 14
Consolidated Statement of Financial Activities	15
Comparative Consolidated Statement of Financial Activities	16
Consolidated Balance Sheet	17
Balance Sheet	18
Consolidated Statement of Cash Flows	19
Notes to the Financial Statements	20 to 38

Sunderland Culture Limited

Reference and Administrative Details

Trustees	J D Mowbray (resigned 19 June 2023) A R Mackay G E Callaghan I B Wimpenny A Turpin (resigned 15 March 2023) G Thompson (resigned 3 May 2022) S C Knight (resigned 15 March 2023) F C Brown (resigned 25 July 2022) P M Callaghan (resigned 3 May 2022) J M Earl, Chair Cllr L Williams (resigned 19 May 2023) I Kershaw (appointed 25 July 2022) K Ramanathas (appointed 25 July 2022) P J McIntyre (appointed 25 July 2022) S I Rymer (appointed 25 July 2022) M Nixon (appointed 25 July 2022) Prof D R Sandbach (appointed 25 July 2022) Prof M W Young (appointed 15 March 2023) Cllr J Price (appointed 19 May 2023)
Secretary	R Ball
Key Management Personnel	R Ball, Chief Executive I High, Director of Finance and Administration T Austin, Venue Director S Davies, Head of Development H Connify, Head of Marketing and Communications
Registered Office	National Glass Centre Liberty Way Sunderland SR6 0GL The charity is incorporated in England and Wales.
Company Registration Number	10098742
Charity Registration Number	1184073
Bankers	Handelsbanken 43 Old Elvet Durham DH1 3HN
Auditor	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

Sunderland Culture Limited

Trustees' Report

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

Structure, governance and management

Nature of governing document

The company is a charitable company limited by guarantee and does not have share capital. The company is governed by its Articles of Association.

Sunderland Culture Limited ("the Charity") is a company limited by guarantee. It was incorporated on 2nd April 2016 and registered as a charity with the Charity Commission on 24th June 2019. Its Articles of Association were last amended on 6th June 2019.

On 24 September 2021, Sunderland Culture Trading Limited was incorporated and is a fully owned subsidiary of Sunderland Culture Limited. The company remained dormant throughout the period to 31 March 2022, however started trading during 2022/23 and hence consolidated accounts have been prepared.

Recruitment and appointment of trustees

In accordance with the Articles of Association, the trustees must be a minimum of three and shall not be subject to any maximum provided that each of the following bodies is entitled at any time to appoint directors up to the number specified opposite their name:

1. Sunderland City Council - up to 2 nominated directors
2. University of Sunderland - up to 2 nominated directors
3. Sunderland Music, Arts and Culture Trust - up to 2 nominated directors

The above bodies may remove and replace any of its nominated directors by giving notice in writing to the charity.

A director must be a person aged 16 years or older and not be disqualified from acting under the provisions of article 39.

A director may not appoint an alternate director or anyone to act on his or her behalf at meetings of the directors.

A goverance review was carried out in 2020 in relation to the appointment of trustees and their terms of service.

Arrangements for setting key management personnel remuneration

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charity are. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

Organisational structure

The charitable company is administered by a board of trustees which meets a minimum of four times a year. Day to day activities are controlled by a Chief Executive who is assisted by a Director of Finance and Administration.

Sunderland Culture Limited

Trustees' Report

Objectives and activities

Objects and aims

The charitable company's object and principal activity is to:

Advance the arts and culture and to advance education in the arts of performance, music, drama, poetry reading, sculpture, painting, photography, handicrafts, literature, glass-making, history, film and all other associated arts ("the Arts") in particular, but not exclusively by:

Encouraging public participation in the Arts and by the presentation of concerts, performances, exhibitions and festivals, provided that the promotion of such festivals and events is undertaken solely for the Public Benefit;

Developing new and innovative ways of delivering the Arts;

Participation in and, where appropriate, management and oversight of, cultural operations, venues and activities primarily in the City of Sunderland to ensure maximum benefit and return, provided that such participation and management is undertaken solely for Public Benefit.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

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

Sunderland Culture's mission is to improve life for everyone in Sunderland through culture. We are a pioneering place-based partnership formed in 2016, by University of Sunderland, Sunderland City Council and Sunderland Music, Arts and Culture Trust, to take forward an ambitious cultural vision for the city.

Firmly place-focused in our creative and cultural ambition, we work across Sunderland to ensure the power of art, culture and creativity is harnessed for the benefit of the city and its people. We are an independent company limited by guarantee, a registered charity and have a trading subsidiary, Sunderland Culture Trading.

Through a Collaboration Agreement, we build on our founding partners' civic, educational and philanthropic commitment to Sunderland's communities and to realising the city's cultural potential. We bring together the assets, activities and resources from the three partners, alongside investment from Arts Council England, other charitable trusts and foundations and earned income.

To achieve our place-based mission, we are guided by five core aims:

- Building the city's profile and reputation
- Growing our creative economy
- Building confidence and aspiration in young people
- Improving health and wellbeing

- Creating connectivity amongst our communities

We achieve impact by enabling wide ranging and deep cultural engagement, strengthening the city's creative ecology and facilitating world-class cultural opportunities for people to experience. Key to achieving this is supporting other arts and community organisations in the city to increase the breadth of cultural activities and opportunities.

During 2022/23 we delivered a city-wide creative programme of visual and performing arts with communities across the city and in five cultural venues

- Arts Centre Washington
- National Glass Centre
- Northern Gallery for Contemporary Art
- Sunderland Museum & Winter Gardens
- The Fire Station.

We delivered a diverse cultural programme with 340 exhibitions, performances and events produced in the city and online. We welcomed 752,891 visitors, engaged 23,228 participants, hosted 11,895 students in school and college visits and saw 309,000 people use our digital services.

We worked with over 90 community, research and creative partners to achieve inclusion and reach across the city. This included regional, national and international creative and cultural organisations such as The Cultural Spring, Royal Northern Sinfonia, Future Arts Centres, Matt's Gallery, National Theatre, British Museum, V & A, Arts Council Collection, Glasmuseet Ebeltoft, Corning Museum of Glass. We are grateful to all of them for their support and partnership.

Programme highlights from 2022/23 include –

Building the profile and reputation of Sunderland

Glass Exchange - One of National Glass Centre's most ambitious projects to date, 'Glass Exchange' brought together four ground-breaking contemporary artists with some of the most highly skilled glass makers in the country to present four brand-new works across the North East. Over 24 months, artists Pascale Marthine Tayou, Katie Paterson, Monster Chetwynd and Ryan Gander worked with specialist teams at National Glass Centre to realise their ideas which were then displayed in sites ranging from Durham Cathedral to a disused shop in Sunderland's city centre.

Gathering Light - One of the most significant pieces of Bronze Age metalwork ever discovered in Britain, the Shropshire sun pendant came to Sunderland Museum & Winter Gardens this year as part of The British Museum's Spotlight Loan tour. The gold bulla is over 3000 years old and was part of the Museum's 'Gathering light: a Bronze Age golden sun' exhibition which also featured Bronze Age objects from across the North East.

The Fire Station – Opened in Dec 2021, The Fire Station saw remarkable growth during 2022/23 and won Cultural Venue of the Year at the Journal Culture Awards. As the pandemic's impact lessened, the venue established a strong presence in the city, delivering 153 public ticketed performances with audiences of 50,000 and ticket sales of over £1.1 million.

Sunderland Culture Limited

Trustees' Report

Growing our creative economy

Investing in Sunderland's Creatives - Through our Unlock Programme, we gave 45 grants of £1000 to creative practitioners and organisations from across Sunderland via the CLLD Creative Industries grant programme to help support the growth of their business. Recipients included local musicians, sculptors and designers who used the money in a variety of ways, from buying new equipment to marketing and website design.

Developing Creative Talent - NGCA presented the first UK solo exhibitions of two emerging local artists. 'SENDING LOVE' by Lithuanian-born, Newcastle-based University of Sunderland graduate photographer Janina Sabaliauskaitė was a love letter to her transnational LGBTQ+ community, presenting new and existing images from her personal archive. Jhanee Wilkins, also a recent University of Sunderland MA graduate, showcased two powerful new series of work - 'Black Britain' which explored Black British heritage, and 'Likkle Paradise', a photographic celebration of the Windrush generation.

Building confidence and aspiration in young people

Bright Lights - Arts Centre Washington also held its second 'Bright Lights Youth Arts Festival' which celebrated all the creative young people who use the arts centre. Even bigger and better than before, the event showcased performances from Washington Youth Theatre and Right Track Young Musicians Project as well as visual artists, crafters, film makers and writers. The festival was also the launch of the 'Bright Lights Remixed' exhibition at Sunderland Museum & Winter Gardens which was co-curated by the Celebrate Different Collective, our Young Arts Leaders group (aged 13-25).

Art in Schools - At Fulwell Junior School, pupils selected and curated artworks from the Arts Council Collection to be displayed in their new 'Aspirations' art gallery at the school and two decommissioned aircraft engines by artist Roger Hiorns were installed in the school playground. The loaned art works provided inspiration for the children's own artwork, poetry and creative writing as well as a wonderful display.

Improving health and wellbeing

For young people, 'Creative You' offered a range of events and workshops to support mental health, build self-esteem and confidence. The project was funded by Washington Area Committee, based at Arts Centre Washington and led by Sunderland Culture in partnership with Washington Mind.

Arts Centre Washington and Sunderland Museum & Winter Gardens' Creative Age groups for adults living with dementia and their carers supported around 20 regular participants each week.

Creating connectivity amongst our communities

Open House - In February, The Fire Station became a centre for community arts as it staged its second 'Open House', a special showcase event celebrating the talent in our communities, and which gives a platform to performers of all ages and backgrounds. This year's event featured 19 community performance groups, comprised of over 230 participants, ranging from 5 to 85 years of age.

Community exhibitions 'Amra Shobai Aikhaney' (We Are Here) at Arts Centre Washington marked 20 years of Sangini, a BAME women-led organisation with a focus on encouraging women from different communities to create, share and build stronger voices. The exhibition featured work from members of Sunderland Women's Art Group (SWAG), a collective of diverse artists, who curated and interpreted Sangini's story in their own unique way. Art works created during community workshops were also added to the exhibition throughout its duration.

Sunderland Culture Limited

Trustees' Report

Governance

The beginning of 2022/23 saw further work to strengthen the organisation's governance. We appointed 3 new independent trustees - Sheree Rymer, Faculty Director for Creative and Digital at Sunderland College; Kamaswaredas Ramanathas, Manager of Young Asian Voices; and Professor Roy Sandbach, previously Director of the National Innovation Centre for Ageing and ex Proctor and Gamble executive.

Our 3 founding partners each appointed new representatives to the board – Paul Callaghan MAC Trust, stood down and was replaced by Sunderland Empire Theatre Director Marie Nixon. Graeme Thompson, Pro Vice Chancellor and our former Chair, stood down and was replaced by Ian Kershaw, one of the University Governors. And Fiona Brown from Sunderland City Council left us to be replaced by Peter McIntrye, Executive Director of City Development.

We also welcomed three non-executive directors to our new Sunderland Culture Trading company: Neil Smith, partner in real estate at solicitors Ward Hadaway; Nick Reed, Chief Executive of music charity B:Music in Birmingham, and Michelle Daurat, General Manager at Oaklea Convent and previous Head of Business and Operations at National Glass Centre

In September 2022, Annabel Turpin of ARC stood down as an Independent Director and Chair of our Finance Committee. Annabel was replaced as Chair by John Mowbray. In March 2023, Steve Knight of the University left us on his retirement and was replaced by Prof Michael Young.

Financial review

The Sunderland Culture Finance Committee met bi-monthly during this financial year, supported by Rebecca Ball, CEO and Ian High, Director of Finance and Administration.

The Chair of the Finance Committee briefs the full charity board during the quarterly board meetings of the financial performance of the organisation.

The Sunderland Culture Trading Co board also met quarterly to discuss performance of the Fire Station venue, with the Chair of the Trading Co board updating the Charity board at its quarterly board meetings.

Improvements continued to be implemented within the organisations financial systems including.

- Payment approvals authorised by only the CEO and DOF.
- More stringent checking on new suppliers.
- Purchase order system continuing to strengthen internal controls.
- New card/expense system providing more control and flexibility managed by DOF.

The highest percentage of the organisation' expenditure consists of programme delivery, marketing and communications and staffing.

During 2022/23 the number of staff employed directly through Sunderland Culture increased from 43 to 68. Most of the staffing pool were either salaried or casual staff employed directly to deliver event management at the Fire Station venue.

We continue to focus to minimise back office and governance costs to allow us to invest our resources in projects and programme which deliver our mission.

Sunderland Culture continue to contribute to the salary costs of employees directly employed by our founding partners who support the delivery of programme across the five core venues.

Trustees' Report

Sunderland Culture also committed to become a Real Living Wage employer and implemented this from 1 April 2023.

The investment through Arts Council England's NPO programme of £509,200 p/a continued to provide vital support for the organisation's core activities and operations.

In addition, we continue to be very grateful to our other funders who provide restricted funding to support our creative programme and projects.

We must also note the considerable support and ongoing investment of our founding partners with respect to the maintenance, operation, and management of the five core venues. This investment may be in-kind, but it remains crucial in enabling the delivery of cultural programme. We are indebted to our partners for their continued investment and support for culture in Sunderland, without which Sunderland Culture would not be able to continue to deliver its programmes.

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of three months of total income, which would equate to holding approximately £312,500 in free reserves. The board are committed to rebuilding the free reserves to this level over the next five years.

At the year end, free reserves were £65,186 (2022: £391,047) a decrease of £325,861 as a result of the deficit in the year.

Sunderland Culture Limited

Trustees' Report

Principal funding sources

In addition, the charity recognises the principal funding sources in the year as follows:

Art Fund
Arts Council Collection
Arts Council England
British Museum
Community Foundation for Tyne & Wear and Northumberland– supported by the Tyne & Wear High Sheriff Award Fund and the #iWill Fund.
Durham Benevolence
Family Arts Network
Friends of Sunderland Museum – James Wilson Bequest
Henry Moore Foundation
Helix Arts
Lithuanian Cultural Institute
Museums Association – Esmée Fairbairn Collections Fund
National Trust – New Wave programme
National Theatre
NEXUS
Sunderland Local Cultural Education Partnership
Sir John Priestman Charity Trust
Sunderland City Council – Covid-19 Health Inequalities Fund, Strength & Balance Fund, Washington Area Committee, Coastal Communities Fund and Sunderland Community Led Local Development Fund, part funded by the European Regional Development Fund.
The Austin & Hope Pilkington Trust
The Joicey Trust
Thriving Communities Fund - funding from the National Academy for Social Prescribing, Arts Council England, Natural England and Historic England.
Touchstones Rochdale - the Football Art Prize was supported using public funding by the National Lottery through Arts Council England.
University of Sunderland – ERDF Graduate Internships, part funded by the European Regional Development Fund and Robson Trust Creative Internships.
Victoria and Albert Museum
Writers Guild of Great Britain

Thank you to Bernard Lloyd and Art Fund for their support in developing National Glass Centre's permanent collection in 2022/2023.

Sunderland Culture Limited

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

The beginning of 2023/24 marked the beginning of our new NPO award from Arts Council England. We were delighted that the strength of work in the past, and our plans for the future means that our funding has increased by 24% to £634,200 per annum This funding is for 3 years from 1 April 2023. We are hugely grateful to Arts Council England for supporting the work of our core partners – Sunderland City Council, University of Sunderland and Sunderland MAC Trust.

The board have been working to review Sunderland Culture's delivery against Arts Council England's 4 Investment Principles – Ambition and Quality, Inclusivity and Relevance, Dynamism and Environmental Responsibility.

In January 2023, the University announced that it had made the decision that it would need to close the National Glass Centre building at some point in the future due to the costs of the repair and maintenance of the building required to make it sustainable for the long term. The University are actively looking at alternative locations for many of the facilities within the NGC. Sunderland Culture continues to work closely with the University and Sunderland City Council to ensure that the city's unique glass culture and heritage is safeguarded for the future.

In early 2023, the MAC Trust took the decision that it wanted to change the operating model for the Fire Station. It was agreed that the public events programme, corporate and commercial activity, hospitality & retail should be brought together into a single commercial company, Pub Culture. Sunderland Culture has worked closely with MAC Trust to ensure smooth transition and mitigate any impact on business continuity.

We are delighted that Sunderland City Council has been awarded funding from the National Lottery Heritage Fund, and the DCMS Museum Estate and Development Fund, administered by Arts Council England, to support the redevelopment of Sunderland Museum & Winter Gardens.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Financial instruments

Objectives and policies

The group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the group's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The group does not use derivative financial instruments for speculative purposes.

Cash flow risk

The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The group uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.
Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The group's principal financial assets are bank balances and cash, trade and other receivables, and investments.
The group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.
The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.
The group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the group uses a mixture of long-term and short-term debt finance.
Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Sunderland Culture Limited

Trustees' Report

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Sunderland Culture Limited 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.

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.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 18/12/23 and signed on its behalf by:

J M Earl
Chair and Trustee

Sunderland Culture Limited

Independent Auditor's Report to the Members of Sunderland Culture Limited

Opinion

We have audited the financial statements of Sunderland Culture Limited (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31 March 2023, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Sunderland Culture Limited

Independent Auditor's Report to the Members of Sunderland Culture Limited

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the and the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 11), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report to the Members of Sunderland Culture Limited

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety and compliance with both the UK Companies Act and UK Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Simon Brown

Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 18/12/2023

Azets Audit Services is a trading name of Azets Audit Services Limited.

Sunderland Culture Limited

Consolidated Statement of Financial Activities for the Year Ended 31 March 2023 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Income and Endowments from:					
Donations and legacies	3	49,818	363,370	413,188	206,985
Charitable activities	4	591,981	184,630	776,611	1,701,358
Other trading activities	5	1,166,484	-	1,166,484	-
Other income	6	129,426	-	129,426	268,550
Total Income		1,937,709	548,000	2,485,709	2,176,893
Expenditure on:					
Raising funds	7	(1,166,484)	-	(1,166,484)	-
Charitable activities	8	(1,051,946)	(705,005)	(1,756,951)	(2,500,985)
Total Expenditure		(2,218,430)	(705,005)	(2,923,435)	(2,500,985)
Net expenditure		(280,721)	(157,005)	(437,726)	(324,092)
Transfers between funds		(68,402)	68,402	-	-
Net movement in funds		(349,123)	(88,603)	(437,726)	(324,092)
Reconciliation of funds					
Total funds brought forward		449,008	189,121	638,129	962,221
Total funds carried forward	20	99,885	100,518	200,403	638,129

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

The funds breakdown for 2022 is shown in note 20.

Sunderland Culture Limited

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

	Note	Unrestricted £	Restricted £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	50,287	156,698	206,985
Charitable activities	4	612,319	1,089,039	1,701,358
Other income	6	97,694	170,856	268,550
Total income		760,300	1,416,593	2,176,893
Expenditure on:				
Charitable activities	8	(873,091)	(1,627,894)	(2,500,985)
Total expenditure		(873,091)	(1,627,894)	(2,500,985)
Net expenditure		(112,791)	(211,301)	(324,092)
Transfers between funds		353,237	(353,237)	-
Net movement in funds		240,446	(564,538)	(324,092)
Reconciliation of funds				
Total funds brought forward		208,562	753,659	962,221
Total funds carried forward	20	449,008	189,121	638,129

Sunderland Culture Limited

(Registration number: 10098742)
Consolidated Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	34,699	57,961
Current assets			
Debtors	17	817,683	854,662
Cash at bank and in hand	18	266,846	306,449
		1,084,529	1,161,111
Creditors: Amounts falling due within one year	19	(918,825)	(580,943)
Net current assets		165,704	580,168
Net assets		200,403	638,129
Funds of the group:			
Restricted income funds			
Restricted funds	20	100,518	189,121
Unrestricted income funds			
Unrestricted funds		99,885	449,008
Total funds	20	200,403	638,129

The financial statements on pages 15 to 38 were approved by the trustees, and authorised for issue on ..18/12/23. and signed on their behalf by:

J M Earl
Chair and Trustee

Sunderland Culture Limited

(Registration number: 10098742)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	34,699	57,961
Current assets			
Debtors	17	660,257	864,662
Cash at bank and in hand	18	230,394	296,449
		890,651	1,161,111
Creditors: Amounts falling due within one year	19	(724,947)	(580,943)
Net current assets		165,704	580,168
Net assets		200,403	638,129
Funds of the charity:			
Restricted income funds			
Restricted funds	20	100,518	189,121
Unrestricted income funds			
Unrestricted funds		99,885	449,008
Total funds	20	200,403	638,129

The financial statements on pages 15 to 38 were approved by the trustees, and authorised for issue on 15/12/23 and signed on their behalf by:

J M Earl
Chair and Trustee

Sunderland Culture Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash expenditure		(437,726)	(324,092)
Adjustments to cash flows from non-cash items			
Depreciation	7	24,555	12,694
		(413,171)	(311,398)
Working capital adjustments			
Decrease/(increase) in debtors	17	36,979	(390,981)
Increase in creditors	19	188,714	171,834
Increase in deferred income		149,168	146,895
Net cash flows from operating activities		(38,310)	(383,650)
Cash flows from investing activities			
Purchase of tangible fixed assets	15	(1,293)	(62,481)
Net decrease in cash and cash equivalents		(39,603)	(446,131)
Cash and cash equivalents at 1 April		306,449	752,580
Cash and cash equivalents at 31 March		266,846	306,449

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

Sunderland Culture Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, 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.

The address of its registered office is: National Glass Centre, Liberty Way, Sunderland, SR6 0GL

2 Accounting policies

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

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) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation
Sunderland Culture Limited 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.

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

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2023.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a deficit for the financial year of £437,726 (2022 - deficit of £324,092).

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Estimation uncertainty and judgements

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.

Notes to the Financial Statements for the Year Ended 31 March 2023

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Income includes amounts received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned.

Donations and grant income included is recognised where there is entitlement, the receipt is probable and the amount can be measured with sufficient reliability.

In the event that a donation or grant is subject to conditions that require a level of performance 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 those conditions will be fulfilled in the reporting period.

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 group 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.

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.

Gifts in kind

Where a gift in kind is given to the charity and it can be reliably measured, the gift is shown in both voluntary income and charitable activities.

Investment income

Bank interest received is recognised once it has been received.

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.

Raising funds

These are costs incurred in trading activities that raise funds.

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.

Governance costs
These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

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 £300.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

Asset class	Depreciation method and rate
IT equipment	33.33% straight line

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.

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

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

Trade creditors are recognised initially at the transaction price.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the group.

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

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Funds managed on behalf of others
The charity manages (on behalf of the landlord) a property which is let to multiple parties. The charity records only the income in relation to those management tasks, for which it receives a management charge income from the landlord for doing so. All other transactions are held by the charity on the balance sheet as part of monies owed to the landlord.

Notes to the Financial Statements for the Year Ended 31 March 2023

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Donations and legacies;			
Donations from companies, trusts and similar proceeds	29,818	12,584	42,402
Grants, including capital grants;			
Grants	-	350,786	350,786
Gifts in kind	20,000	-	20,000
	49,818	363,370	413,188

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Donations and legacies;			
Donations from companies, trusts and similar proceeds	18,177	300	18,477
Grants, including capital grants;			
Coronavirus Job Retention Scheme	-	13,064	13,064
Grants	12,110	143,334	155,444
Gifts in kind	20,000	-	20,000
	50,287	156,698	206,985

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £
National Portfolio Organisation	591,981	-	591,981
Venue Programme	-	70,431	70,431
National Partners Programme	-	39,699	39,699
Ambition for Excellence	-	74,500	74,500
	591,981	184,630	776,611

	Unrestricted funds General £	Restricted funds £	Total 2022 £
National Portfolio Organisation	612,319	298,000	910,319
Great Places	-	45,036	45,036
Venue Programme	-	492,625	492,625
Coastal Communities	-	123,490	123,490
National Partners Programme	-	122,353	122,353
Citywide	-	7,535	7,535
	612,319	1,089,039	1,701,358

5 Income from other trading activities

	Unrestricted funds General £	Total 2023 £
Trading income		
Events income	1,166,484	1,166,484
	1,166,484	1,166,484

6 Other income

	Unrestricted funds General £	Total 2023 £
Fees and supplies	129,426	129,426

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Fees and supplies	97,694	168,856	266,550
Rental income	-	2,000	2,000
	97,694	170,856	268,550

7 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds General £	Total funds £
Trading subsidiary costs	1,166,484	1,166,484
Total for 2023	1,166,484	1,166,484

8 Expenditure on charitable activities

	Unrestricted General £	Restricted £	Total 2023 £	Total 2022 £
Ambition for Excellence	-	162,307	162,307	284,238
Venue Programme	892,349	420,295	1,312,644	1,687,656
Great Places	-	-	-	61,654
Citywide Programme	-	22,092	22,092	-
National Partners Programme	-	98,749	98,749	243,369
Citywide	-	-	-	1,405
Coastal Communities	-	1,562	1,562	95,598
Governance costs (note 7)	159,597	-	159,597	127,065
	1,051,946	705,005	1,756,951	2,500,985

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Ambition for Excellence	-	284,238	284,238
Venue Programme	746,026	941,630	1,687,656
Great Places	-	61,654	61,654
National Partners Programme	-	243,369	243,369
Citywide	-	1,405	1,405
Coastal Communities	-	95,598	95,598
Governance costs (note 7)	127,065	-	127,065
	873,091	1,627,894	2,500,985

In addition to the expenditure analysed above, there are also governance costs of £159,597 (2022 - £127,065) which relate directly to charitable activities. See note 9 for further details.

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Audit fees		
Audit of the financial statements	13,750	13,750
Marketing and publicity	48,549	48,549
Depreciation, amortisation and other similar costs	24,555	24,555
Other governance costs	72,743	72,743
Total for 2023	159,597	159,597
Total for 2022	127,065	127,065

10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2023 £	2022 £
Audit fees	13,750	7,000
Depreciation of fixed assets	24,555	5,826

11 Trustees remuneration and expenses

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

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

Notes to the Financial Statements for the Year Ended 31 March 2023

12 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	802,647	620,531
Social security costs	71,691	56,381
Pension costs	18,406	13,746
	892,744	690,658

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Managerial	5	4
Officers (including casual staff)	49	23
	54	27

The number of employees whose emoluments fell within the following bands was:

	2023 No	2022 No
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-

The total employee benefits of the key management personnel of the group were £246,685 (2022 - £175,215).

13 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	13,750	7,000
Other fees to auditors		
All other non-audit services	3,000	9,535

14 Taxation

The group is a registered charity and is therefore 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.

Notes to the Financial Statements for the Year Ended 31 March 2023

15 Tangible fixed assets

Group

	IT equipment £	Total £
Cost		
At 1 April 2022	84,064	84,064
Additions	1,293	1,293
At 31 March 2023	85,357	85,357
Depreciation		
At 1 April 2022	26,103	26,103
Charge for the year	24,555	24,555
At 31 March 2023	50,658	50,658
Net book value		
At 31 March 2023	34,699	34,699
At 31 March 2022	57,961	57,961

Charity

	IT equipment £	Total £
Cost		
At 1 April 2022	84,064	84,064
Additions	1,293	1,293
At 31 March 2023	85,357	85,357
Depreciation		
At 1 April 2022	26,103	26,103
Charge for the year	24,555	24,555
At 31 March 2023	50,658	50,658
Net book value		
At 31 March 2023	34,699	34,699
At 31 March 2022	57,961	57,961

16 Fixed asset investments

Charity

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2023	2022	
Subsidiary undertakings					
Sunderland Culture Trading Limited	United Kingdom	By Guarantee	100%	100%	Support activities to performing arts

Subsidiaries

On 24 September 2021,Sunderland Culture Trading Limited was incorporated and is a fully owned subsidiary of Sunderland Culture Limited. The company remained dormant throughout the period to 31 March 2022, however started trading during 2022/23 and hence consolidated accounts have been prepared.

17 Debtors

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	106,328	18,185	77,461	18,185
Due from group undertakings	-	-	-	10,000
Prepayments	23,062	24,738	11,426	24,738
Accrued income	639,846	784,282	494,633	784,282
VAT recoverable	12,687	9,169	40,977	9,169
Other debtors	35,760	18,288	35,760	18,288
	817,683	854,662	660,257	864,662

18 Cash and cash equivalents

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Cash on hand	1,382	5,312	-	5,312
Cash at bank	265,464	301,137	230,394	291,137
	266,846	306,449	230,394	296,449

19 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	489,708	219,592	445,719	219,592
Due to group undertakings	-	-	168,415	-
Other taxation and social security	18,782	18,968	18,782	18,968
VAT grant repayable	3,732	-	-	-
Accruals	110,540	195,488	57,676	195,488
Deferred income	296,063	146,895	34,355	146,895
	918,825	580,943	724,947	580,943

Deferred income

Group

	2023	2022
	£	£
Deferred income at 1 April 2022	146,895	-
Resources deferred in the period	296,063	146,895
Amounts released from previous periods	(146,895)	-
Deferred income at year end	296,063	146,895

Charity

	2023	2022
	£	£
Deferred income at 1 April 2022	146,895	-
Resources deferred in the period	34,355	146,895
Amounts released from previous periods	(146,895)	-
Deferred income at year end	34,355	146,895

Notes to the Financial Statements for the Year Ended 31 March 2023

20 Funds

Group

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
General					
General	449,008	771,225	(1,051,946)	(68,402)	99,885
Trading company	-	1,166,484	(1,166,484)	-	-
	449,008	1,937,709	(2,218,430)	(68,402)	99,885
Restricted funds					
Glass Exchange	45,000	74,500	(162,307)	42,807	-
Great Place Programme	-	(2,700)	-	2,700	-
Citywide Programme	-	77,275	(22,092)	-	55,183
Coastal Communitites Programme	-	-	(1,562)	1,562	-
National Partners Programme	56,000	39,699	(98,749)	3,050	-
Venue Programme	88,121	359,226	(420,295)	18,283	45,335
Total restricted funds	189,121	548,000	(705,005)	68,402	100,518
Total funds	638,129	2,485,709	(2,923,435)	-	200,403

Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds					
General					
General	208,562	760,300	(873,091)	353,237	449,008
Restricted funds					
Glass Exchange	31,238	298,000	(284,238)	-	45,000
Great Place Programme	6,636	45,036	(61,654)	9,982	-
Citywide Programme	18,317	7,535	(1,405)	(24,447)	-
Coastal Communitites Programme	9,643	123,490	(95,599)	(37,534)	-
National Partners Programme	129,547	122,353	(243,369)	47,469	56,000
Venue Programme	558,278	820,179	(941,629)	(348,707)	88,121
Total restricted funds	753,659	1,416,593	(1,627,894)	(353,237)	189,121
Total funds	962,221	2,176,893	(2,500,985)	-	638,129

Charity

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
General					
General	449,008	771,225	(1,051,946)	(68,402)	99,885
Restricted funds					
Glass Exchange	45,000	74,500	(162,307)	42,807	-
Great Place Programme	-	(2,700)	-	2,700	-
Citywide Programme	-	77,275	(22,092)	-	55,183
Coastal Communities Programme	-	-	(1,562)	1,562	-
National Partners Programme	56,000	39,699	(98,749)	3,050	-
Venue Programme	88,121	359,226	(420,295)	18,283	45,335
Total restricted funds	189,121	548,000	(705,005)	68,402	100,518
Total funds	638,129	1,319,225	(1,756,951)	-	200,403

Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds					
General					
General	208,562	760,300	(873,091)	353,237	449,008
Restricted funds					
Glass Exchange	31,238	298,000	(284,238)	-	45,000
Great Place Programme	6,636	45,036	(61,654)	9,982	-
Citywide Programme	18,317	7,535	(1,405)	(24,447)	-
Coastal Communities Programme	9,643	123,490	(95,599)	(37,534)	-
National Partners Programme	129,547	122,353	(243,369)	47,469	56,000
Venue Programme	558,278	820,179	(941,629)	(348,707)	88,121
Total restricted funds	753,659	1,416,593	(1,627,894)	(353,237)	189,121
Total funds	962,221	2,176,893	(2,500,985)	-	638,129

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

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds, where the trustees, at their discretion, have created a fund for a specific purpose.

The transfer in the year represents the use of unrestricted funds to replenish the overspend of restricted funds. The transfer in the prior year from restricted funds represents re-allocation of expenditure against restricted funds which have ceased in the year.

The basis for calculating 'free reserves' are after allowing for all designated funds, fixed assets and other non-current assets and liabilities.

General funds
General funds comprise those funds which the trustees are free to use for any purpose in furtherance of charitable objects.

Ambition for Excellence- Glass Exchange
This fund represents grants made by Arts Council England through the Ambition for Excellence Programme to the Glass Exchange project to enable Sunderland Culture to commission five contemporary artists to make new work in glass in partnership with Durham Cathedral.

Great Places
This fund represents a programme of work across the entire city working to increase opportunities for young people, support health and wellbeing, increase community cohesion and support artists and creative programme is received from National Lottery Heritage Fund, Arts Council England, Sunderland City Council, Sir James Knott Trust, Cultural Spring, Culture Bridge North East, Nexus, Sunderland Bid and Hays Travel.

Citywide Programme
This fund represents a programme of performances and events held in locations across the city and includes the artistic programme that accompanied the visit of the Tall Ships Races to Sunderland as well as commissions delivered as part of the commemoration events to mark the centenary of World War 1. Funds were received from Sunderland City Council and Imperial War Museum (14-18Now).

Coastal Communities
This fund represents grants secured in partnership with Sunderland City Council from the Ministry of Housing, Communities and Local Government for the delivery of activity which supports artists and creative businesses in Sunderland.

National Partners Programme
This fund represents a programme of exhibitions of work from the Arts Council Collection and associated learning, community engagement and digital projects. It is funded by grants from Arts Council England.

Governance costs- Venue Programme
These costs represent funds expended on the set up and development of Sunderland Culture funded by Arts Council England and National Lottery Heritage Fund.

Notes to the Financial Statements for the Year Ended 31 March 2023

21 Analysis of net assets between funds

Group

	Unrestricted General £	Restricted £	Total funds £
Tangible fixed assets	34,699	-	34,699
Net current assets/(liabilities)	65,186	100,518	165,704
Total net assets	99,885	100,518	200,403

	Unrestricted General £	Restricted £	Total funds at 31 March 2022 £
Tangible fixed assets	57,961	-	57,961
Net current assets/(liabilities)	391,047	189,121	580,168
Total net assets	449,008	189,121	638,129

Charity

	Unrestricted General £	Restricted £	Total funds £
Tangible fixed assets	34,699	-	34,699
Net current assets/(liabilities)	65,186	100,518	165,704
Total net assets	99,885	100,518	200,403

	Unrestricted General £	Restricted £	Total funds at 31 March 2022 £
Tangible fixed assets	57,961	-	57,961
Net current assets/(liabilities)	391,047	189,121	580,168
Total net assets	449,008	189,121	638,129

22 Analysis of net funds

Group

	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash at bank and in hand	306,449	(39,603)	266,846
Net funds	306,449	(39,603)	266,846

Notes to the Financial Statements for the Year Ended 31 March 2023

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	752,580	(446,131)	306,449
Net funds	752,580	(446,131)	306,449

23 Related party transactions

Charity
During the year the charity made the following related party transactions:

Sunderland Business Ltd
Sunderland Business Ltd is related to the charity via virtue of common officers. The charity has incurred costs from Sunderland Business Ltd of £600 (2022: £5,876). At the balance sheet date the amount due to/from Sunderland Business Ltd was £Nil (2022 - £Nil).

University of Sunderland
University of Sunderland is related to the charity via virtue of common officers. The charity has incurred costs from University of Sunderland of £440,756 (2022: £300,916). University of Sunderland has made contributions to incoming resources of £10,301 (2022: £8,235). The University of Sunderland also provide two office spaces for use by Sunderland Culture Limited which they do not charge for, this has been shown as a gift in kind of £20,000 (2022: £20,000) for the year. At the balance sheet date the amount due to University of Sunderland was £193,833 (2022 - £Nil).

Sunderland Music, Arts and Culture Trust
Sunderland Music, Arts and Culture Trust is related to the charity via virtue of common officers. Sunderland Music, Arts and Culture Trust made contributions to incoming resources of £45,000 (2022: £3,936) in the year for the management of the Fire Station. At the balance sheet date the amount due to/from Sunderland Music, Arts and Culture Trust was £Nil (2022 - £Nil).

Sunderland Culture Trading
(Subsidiary of Sunderland Culture.)
The charity has recharged payroll and other costs to SCT of £426,639 (2022:nil). Additionally, the charity has collected ticket sales on behalf of SCT of £560,919 (2022: £nil) which have been transferred to the company. During the period a loan of £10,000 was repaid to Sunderland Culture. At the balance sheet date the amount due from Sunderland Culture Trading was £168,415 (2022 - £Nil).

SUNDERLAND CULTURE LIMITED

England & Wales - Charity number 1184073

Accounts

Company registration number: 10098742

Charity registration number: 1184073

SUNDERLAND CULTURE LIMITED

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Sunderland Culture Limited

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 10
Independent Auditors' Report	11 to 13
Statement of Financial Activities	14
Statement of Financial Activities	15
Balance Sheet	16
Statement of Cash Flows	17
Notes to the Financial Statements	18 to 31

Sunderland Culture Limited

Reference and Administrative Details

Chair	J M Earl, Chair
Trustees	J D Mowbray A R Mackay G E Callaghan I B Wimpenny A Turpin G Thompson (resigned 3 May 2022) S C Knight F C Brown (resigned 25 July 2022) P M Callaghan (resigned 3 May 2022) J M Earl, Chair Cllr L Williams I Kershaw (appointed 25 July 2022) K Ramanathas (appointed 25 July 2022) P J McIntyre (appointed 25 July 2022) S I Rymer (appointed 25 July 2022) M Nixon (appointed 25 July 2022) Prof D R Sandbach (appointed 25 July 2022)
Secretary	Rebecca Ball
Key Management Personnel	R Ball, Chief Executive I High, Finance and Administration Director T Austin, Venue Director S Davies, Head of Development
Registered Office	National Glass Centre Liberty Way Sunderland SR6 0GL The charity is incorporated in England and Wales.
Company Registration Number	10098742
Charity Registration Number	1184073
Bankers	Handlesbanken Sunderland 17 Pickersgill Court Quay West Riverside Business Village Sunderland SR5 2AQ
Auditor	Azets Audit Services Bulman House Regent Centre Gosforth NE3 3LS

Sunderland Culture Limited

Trustees' Report

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

Structure, governance and management

Nature of governing document

The company is a charitable company limited by guarantee and does not have share capital. The company is governed by its Articles of Association.

Sunderland Culture Limited ("the Charity") is a company limited by guarantee. It was incorporated on 2nd April 2016 and registered as a charity with the Charity Commission on 24th June 2019. Its Articles of Association were last amended on 6th June 2019.

Recruitment and appointment of trustees

In accordance with the Articles of Association, the trustees must be a minimum of three and shall not be subject to any maximum provided that each of the following bodies is entitled at any time to appoint directors up to the number specified opposite their name:

1. Sunderland City Council - up to 2 nominated directors
2. University of Sunderland - up to 2 nominated directors
3. Sunderland Music, Arts and Culture Trust - up to 2 nominated directors

The above bodies may remove and replace any of its nominated directors by giving notice in writing to the charity.

A director must be a person aged 16 years or older and not be disqualified from acting under the provisions of article 39.

A director may not appoint an alternate director or anyone to act on his or her behalf at meetings of the directors.

A goverance review was recently undertaken in relation to the appointment of trustees and their terms of service.

Organisational structure

The charitable company is administered by a board of trustees which meets a minimum of four times a year. Day to day activities are controlled by a Chief Executive who is assisted by a Director of Finance.

Sunderland Culture Limited

Trustees' Report

Objectives and activities

Objects and aims

The charitable company's object and principal activity is to:

Advance the arts and culture and to advance education in the arts of performance, music, drama, poetry reading, sculpture, painting, photography, handicrafts, literature, glass-making, history, film and all other associated arts (“the Arts") in particular, but not exclusively by:

Encouraging public participation in the Arts and by the presentation of concerts, performances, exhibitions and festivals, provided that the promotion of such festivals and events is undertaken solely for the Public Benefit;

Developing new and innovative ways of delivering the Arts;

Participation in and, where appropriate, management and oversight of, cultural operations, venues and activities primarily in the City of Sunderland to ensure maximum benefit and return, provided that such participation and management is undertaken solely for Public Benefit.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

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.

Going concern

The charity’s forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company’s ability to continue as a going concern.

Sunderland Culture Limited

Trustees' Report

Achievements and performance

Sunderland Culture delivers the creative programme at National Glass Centre, Northern Gallery for Contemporary Art, Sunderland Museum & Winter Gardens, Arts Centre Washington and The Fire Station, as well as a city-wide programme focusing on support for artists and creative businesses, creative learning, and arts and health with communities across the city.

Through a Collaboration Agreement with our founding partners: Sunderland City Council; University of Sunderland and Sunderland Music, Arts and Culture (MAC) Trust, we bring together the investment and resources from the three main funders of arts provision in the city, alongside investment from Arts Council England, other charitable trusts and foundations and earned income.

We are a company limited by guarantee, a registered charity and have a trading subsidiary Sunderland Culture Trading.

Our mission is to improve life for everyone in Sunderland through culture. To do so, we are driving five step changes: improved profile and reputation of the city; a more vibrant creative economy; raised outlook and aspiration of young people; improved health and wellbeing; and a more socially cohesive city.

2021/22 saw continued impact and disruption from Covid 19 pandemic. Venues remained closed until the middle of May with social distancing restrictions in place until July. Live performance did not return to Arts Centre Washington until Autumn 21 and ongoing audience caution resulted in reduced visitor numbers and spend throughout the year.

Despite this, we were delighted to welcome over 422,000 visitors across the venues, with. almost 10,000 people taking part in participatory workshops.

Programme highlights from 2021/22 include -

1. Improve profile and reputation of the city

Working alongside the Arts Council Collection, through the National Partners Programme, we brought exceptional works of British modern and contemporary art to Sunderland, including Sir Antony Gormley's Field for the British Isles which was presented at NGCA during summer 2021

Two major projects reached fruition at National Glass Centre. Firstly, thanks to support from Garfield Weston, NGC European Glass Prize, featured the work of 40 artists from across Europe. Secondly, Ambition for Excellence funded, Glass Exchange brought together four ground-breaking contemporary artists: Pascale Marthine Tayou; Katie Paterson; Monster Chetwynd and Ryan Gander - with some of the most skilled glass makers in the country to create four ambitious new works, presented across Sunderland and Durham.

In December 2021, thanks to the vision, investment and determination of the MAC Trust, The Fire Station opened its doors, and we kicked off with 'Firestarters', our opening programme featuring an exciting and diverse series of events showcasing the striking new Auditorium.

2. A more vibrant creative economy

During this year our Unlock programme delivered over one hundred 121 support sessions for artists and creatives in the city and we were able to offer 12 Creative Development bursaries to the following individual artists looking to develop their creative practice.

- Michaela Wetherell
- Nigel Morgan
- Christie Chan
- Helen Schell
- Rebecca Young

• Erin Dickson
• James Whitman
• Christina Berriman Dawson
• Anna Selway
• Lyn Kileen
• Alison Barton
• Emily Wallace

We were delighted to support artists and creative businesses in the city to raise an additional £150,000 to support their business development following the impact of the pandemic.

Two specific initiatives were developed to support performing artists in the city - Unlocking the doors commissioned new theatre and dance artworks, to support local artists during a difficult financial time. New Encounters, developed specifically for Sunderland artists from Black, Asian and other Ethnically Diverse communities, supported new projects by Maya Dhananjay, Lacina Diabate and Stephen Elms.

3. Raise ambition and aspiration of young people

Our young curators, Celebrate Different Collective, curated a brand-new exhibition featuring work from the Arts Council Collection ¬'Where There's Space to Grow' which opened in January 2022 at Sunderland Museum and Winter Gardens
We were thrilled to welcome (back) 4560 school pupils into the venues, whilst a new online portal ArtFix was launched to provide access to a wide range of creative resources for schools, young people and their families.

At Arts Centre Washington, our annual Bright Lights youth arts festival featured works from budding young artists from across the city, whilst Poems of Town brought together talented young musicians and songwriters with Field Music and performance poet Paul Summers.

4. Improve health and wellbeing

Sunderland Culture, Sunderland Carers Centre, Groundwork Northeast & Cumbria, Equal Arts, Everyone Active and Sunderland GP Alliance came together to form the Sunderland Social Prescribing Partnership (SSPP). Collectively the partnership delivered 117 social prescribing sessions during this year.
Arts Centre Washington and Sunderland Museum and Winter Gardens Creative Age groups for adults living with dementia and their carers returned in person from September.

Where We Are Now, a new exhibition at Sunderland Museum and Winter Gardens told the stories of the pandemic through artwork from Arts Council Collection, Northeast artists and works made by local groups, alongside photographs taken by Sunderland residents during the first lockdown.

5. A more socially cohesive city

We were delighted that so many community groups from across Sunderland were able to use the spaces in the venues to share their own stories and experiences - from Sangini's Srijoni at Art Centre Washington to YAV's print display at Sunderland Museum and Winter Gardens.

Vinca Petersen's 'Make Social Honey: A collective search for JOY' at NGCA featured photographs of numerous community groups from across Sunderland exploring how community activities contribute to their health, happiness and wellbeing -from choirs to sea swimmers - all displayed within the exhibition alongside Petersen's own work.

Sunderland Culture Limited

Trustees' Report

Financial review
Sunderland Culture's Finance Committee, chaired by Annabel Turpin, continued to meet monthly during 2021/22. A new senior role of Director of Finance and Administration was created within the organisation and Ian High was appointed in November 2021.

A series of new financial systems were implemented to enable stronger financial management, including the implementation of the Approval Max purchase order system.

A new trading subsidiary Sunderland Culture Trading was established in December 2021, to provide a vehicle for the governance of Sunderland Culture's commercial activities and in particular ticket sales through the Fire Station. The new trading company is chaired by Gillian Callaghan.

During 2020/21 Sunderland Culture remained responsible for the delivery of the core programme of exhibitions, events, performances and learning opportunities across 5 venues owned by our partners - Northern Gallery for Contemporary Art (NGCA) (University of Sunderland) National Glass Centre (University of Sunderland) Sunderland Museum and Winter Gardens (Sunderland City Council) Arts Centre Washington (Sunderland City Council) The Fire Station (Sunderland MAC Trust), and through our City-Wide programme . As such the majority of our expenditure was on programme delivery, marketing and communications and staffing,

During 2020/21 the number of staff employed directly through Sunderland Culture increased from 18 to 43 this was in large part due to the opening of The Fire Station in December 2021. We continue to work hard to minimise our back office and governance costs so we can invest our resources to the maximum in projects and programmes which deliver on our mission.

Sunderland Culture also continued to contribute to the salary costs of staff, employed by our partners, to deliver programme across the core venues, through quarterly payments to those partners.

Investment through Arts Council England's NPO programme at £509,200 per annum provided vital support for the organisation's core activities and operations. In addition, many of our creative programmes and projects were supported by Restricted Funding.

It is also important to note the considerable ongoing investment made by our partners. Sunderland City Council, University of Sunderland and MAC Trust in the maintenance, operation and management of their respective cultural facilities. Whilst that investment sits beyond these accounts, it is absolutely vital in enabling that delivery of this work. We are indebted to all of our partners for their continued investment in and support for culture in Sunderland, without which Sunderland Culture could not deliver its programmes.

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of three months of total income, which would equate to holding approximately £580,000 in free reserves.

At the year end, free reserves were £391,047 (2021: £208,562). This is an increase of £182,485 which the Trustees are satisfied with.

Sunderland Culture Limited

Trustees' Report

Principal funding sources

The charity and its trustees recognise that both the University of Sunderland, Sunderland City Council and MAC Trust have funded costs associated with our venues directly, and that, without this ongoing support, the charity would be unable to operate solely. These funded costs have not been recognised within the financial statements of Sunderland Culture. See note 22.

In addition, the charity recognises the principal funding sources in the year as follows:

Funder	Amount
Arts Council England - NPO	509,200
Arts Council England - Cultural Recovery round 2	143,889
Arts Council England - Cultural Recovery round 3	143,000
Arts Council England - Firestarters	149,368
Arts Council England - Unlocking the Doors	79,944
Arts Council England - Northern Network Consultancy	7,500
National Lottery Heritage Fund - Great Place	41,341
Arts Council England - Thriving Communities	45,000
Arts Council England - National Partners Programme	120,000
Arts Council England - Glass Exchange	298,000
HMRC - JRS	13,064
Design Lab Nation - V&A	16,651
Community Foundation	3,750
Here and Now/Poems of Town	12,441
National Theatre - Speak Up	7,535
Southbank Centre	1,250
Kielder Observatory Astronomical Society	8,750
Helix Arts - Make it Happen	1,000
Esmee Fairbairn Foundation	48,210
Friends of Sunderland	3,500
Sunderland City Council - Great Place/Together for Children/East Area Heritage Trail	15,408
Sunderland City Council - Coastal Communities Fund	88,393
Sunderland City Council - Millfield Community Chest	35,097
Sunderland City Council - Covid Social Prescribing	22,662
Sunderland City Council - Strength and Balance	12,500

Sunderland Culture Limited

Trustees' Report

Key Management Personnel
The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charity are. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

Plans for future periods

Aims and key objectives for future periods

The beginning of 2022/23 saw further work to strengthen the organisation's governance. We appointed 3 new independent trustees - Sheree Rymer, Faculty Director for Creative and Digital at Sunderland College; Kamaswaredas Ramanathas (Ram), Manager of Young Asian Voices; and Professor Roy Sandbach, previously Director of the National Innovation Centre for Ageing and ex Proctor and Gamble executive.

Our 3 founding partners each appointed new representatives to the board – Paul Callaghan MAC Trust, stood down and was replaced by Sunderland Empire Theatre Director Marie Nixon. Graeme Thompson, Pro Vice Chancellor and our former Chair, stood down and was replaced by Ian Kershaw, one of the University Governors. Fiona Brown from Sunderland City Council left us to be replaced by Peter McIntyre, Executive Director of City Development.

We also welcomed three non-executive directors to our new Sunderland Culture Trading company: Neil Smith, partner in real estate at solicitors Ward Hadaway; Nick Reed, Chief Executive of music charity B: Music in Birmingham, and Michelle Daurat, General Manager at Oaklea Convent and previous Head of Business and Operations at National Glass Centre.

In September 2022, Annabel Turpin who had chaired finance committee since it was established stood down and has been replaced by John Mowbray.

The two final exhibitions as part of Arts Council Collection National Partners Programme were presented at Sunderland Museum and Winter Gardens and NGCA with Grayson Perry Vanity of Small Differences and Island.

Support from Washington Area Committee has enabled us to develop a new programme of creative activities for young people living in Washington. Creative You will run from 2022-2024.

Support from Community Led Local Development Fund has enabled us to distribute 42, £1000 grants to artists and creatives in the city.

Additional support from Sunderland City Council through the Covid Health Inequalities Fund and Strength and Balance Fund have enabled us to continue our work through the Sunderland Social Prescribing Partnership.
Considerable work has been done to develop and refine the Fire Station trading model during this first year of operations.

As a Board we have continued to encourage the team to be bold and innovative in the programmes we support, in spite of the continued difficult financial and economic circumstances for the UK and for the people of Sunderland

Sunderland Culture Limited

Trustees' Report

Statement of Trustees' Responsibilities
The trustees (who are also the directors of Sunderland Culture Limited 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.

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.

Disclosure of information to auditor
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

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

Sunderland Culture Limited

Trustees' Report

Reappointment of auditor
Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022.

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 15/12/2022. and signed on its behalf by:



J M Earl
Chair and Trustee

Sunderland Culture Limited

Independent Auditor's Report to the Members of Sunderland Culture Limited

Opinion
We have audited the financial statements of Sunderland Culture Limited (the 'charity') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information
The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Independent Auditor's Report to the Members of Sunderland Culture Limited

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 9), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report to the Members of Sunderland Culture Limited

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

• Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
• Reviewing board minutes;
• Challenging assumptions and judgements made by management in their significant accounting estimates; and
• Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety and compliance with both the UK Companies Act and UK Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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



Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of
Azets Audit Services
Chartered Accountants
Statutory Auditor

Bulman House
Regent Centre
Gosforth
NE3 3LS

Date: 19/12/2022

Azets Audit Services is a trading name of Azets Audit Services Limited

Sunderland Culture Limited

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 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Donations and legacies	3	50,287	156,698	206,985	208,282
Charitable activities	4	612,319	1,089,039	1,701,358	1,999,141
Investment income	5	-	-	-	124
Other income	6	97,694	170,856	268,550	14,164
Total Income		760,300	1,416,593	2,176,893	2,221,711
Expenditure on:					
Charitable activities	7	(873,091)	(1,627,894)	(2,500,985)	(1,479,594)
Total Expenditure		(873,091)	(1,627,894)	(2,500,985)	(1,479,594)
Net (expenditure)/income		(112,791)	(211,301)	(324,092)	742,117
Transfers between funds		353,237	(353,237)	-	-
Net movement in funds		240,446	(564,538)	(324,092)	742,117
Reconciliation of funds					
Total funds brought forward		208,562	753,659	962,221	220,104
Total funds carried forward	17	449,008	189,121	638,129	962,221

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

The funds breakdown for 2021 is shown in note 17.

Sunderland Culture Limited

Comparative Statement of Financial Activities for the Year Ended 31 March 2021
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	208,282	-	208,282
Charitable activities	4	512,693	1,486,448	1,999,141
Investment income	5	124	-	124
Other income	6	14,164	-	14,164
Total income		735,263	1,486,448	2,221,711
Expenditure on:				
Charitable activities	7	(516,324)	(963,270)	(1,479,594)
Total expenditure		(516,324)	(963,270)	(1,479,594)
Net income		218,939	523,178	742,117
Net movement in funds		218,939	523,178	742,117
Reconciliation of funds				
Total funds brought forward		(10,377)	230,481	220,104
Total funds carried forward	17	208,562	753,659	962,221

Sunderland Culture Limited

(Registration number: 10098742)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	57,961	8,174
Current assets			
Debtors	15	864,662	463,681
Cash at bank and in hand		296,449	752,580
		1,161,111	1,216,261
Creditors: Amounts falling due within one year	16	(580,943)	(262,214)
Net current assets		580,168	954,047
Net assets		638,129	962,221
Funds of the charity:			
Restricted		189,121	753,659
Unrestricted income funds			
Unrestricted		449,008	208,562
Total funds	17	638,129	962,221

The financial statements on pages 14 to 31 were approved by the trustees, and authorised for issue on ..15/12/22.... and signed on their behalf by:

J M Earl
Chair and Trustee

Sunderland Culture Limited

Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash (expenditure)/income		(324,092)	742,117
Adjustments to cash flows from non-cash items			
Depreciation		12,694	7,068
Investment income	5	-	(124)
		(311,398)	749,061
Working capital adjustments			
Increase in debtors	15	(400,981)	(84,639)
Increase/(decrease) in creditors	16	171,834	(231,219)
Increase in deferred income		146,895	-
Net cash flows from operating activities		(393,650)	433,203
Cash flows from investing activities			
Interest receivable and similar income	5	-	124
Purchase of tangible fixed assets	14	(62,481)	(2,428)
Net cash flows from investing activities		(62,481)	(2,304)
Net (decrease)/increase in cash and cash equivalents		(456,131)	430,899
Cash and cash equivalents at 1 April		752,580	321,681
Cash and cash equivalents at 31 March		296,449	752,580

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

Sunderland Culture Limited

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

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, 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.

The address of its registered office is: National Glass Centre, Liberty Way, Sunderland, SR6 0GL

2 Accounting policies

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

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) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation
Sunderland Culture Limited 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.

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

Going concern
The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Estimation uncertainty and judgements
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.

Accruals
Accruals are calculated where a service has been provided but the company has not yet been invoiced.

Prepayments
Prepayments are calculated where an invoice has been provided in advance of the service taking place.

Depreciation
Depreciation is calculated on tangible fixed assets at a rate to write off the cost of the asset over its expected useful life.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Income includes amounts received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned.

Donations and grant income included is recognised where there is entitlement, the receipt is probable and the amount can be measured with sufficient reliability.

In the event that a donation or grant is subject to conditions that require a level of performance 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 those conditions will be fulfilled in the reporting period.

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.

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.

Gifts in kind

Where a gift in kind is given to the charity and it can be reliably measured, the gift is shown in both voluntary income and charitable activities.

Investment income

Bank interest received is recognised once it has been received.

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.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

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 £300.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

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

Asset class	Depreciation method and rate
IT equipment	33.33% straight line

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.

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

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

Trade creditors are recognised initially at the transaction price.

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

Funds managed on behalf of others
The charity manages (on behalf of the landlord) a property which is let to multiple parties. The charity records only the income in relation to those management tasks, for which it receives a management charge income from the landlord for doing so. All other transactions are held by the charity on the balance sheet as part of monies owed to the landlord.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	18,177	300	18,477	2,090
Grants, including capital grants;				
Coronavirus Job Retention Scheme	-	13,064	13,064	60,080
Grants	12,110	143,334	155,444	66,173
Gifts in kind	20,000	-	20,000	79,939
Total for 2022	50,287	156,698	206,985	208,282
Total for 2021	208,282	-	208,282	

Gifts in kind total £20,000 (2021: £79,939). The income is shown as voluntary income and the expenditure is included as costs within Charitable Activities expenditure. This represents space used within the National Glass Centre and in the prior year the Chief Executive's time which is not recharged by the University of Sunderland.

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
National Portfolio Organisation	612,319	298,000	910,319	509,200
Great Places	-	45,036	45,036	316,320
Venue Programme	-	492,625	492,625	816,486
Coastal Communities	-	123,490	123,490	127,923
National Partners Programme	-	122,353	122,353	225,612
Citywide	-	7,535	7,535	3,600
Total for 2022	612,319	1,089,039	1,701,358	1,999,141

	Unrestricted funds General £	Restricted funds £	Total 2021 £
National Portfolio Organisation	509,200	-	509,200
Great Places	-	316,320	316,320
Venue Programme	3,493	812,993	816,486
Coastal Communities	-	127,923	127,923
National Partners Programme	-	225,612	225,612
Citywide	-	3,600	3,600
Total 2021	512,693	1,486,448	1,999,141

5 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Interest receivable and similar income;				
Interest receivable on bank deposits	-	-	-	124
Total for 2021	124	-	124	

6 Other income

	Unrestricted General £	Restricted £	Total 2022 £	Total 2021 £
MAC Trust	-	-	-	9,128
Tickets, workshops and learning visits	97,694	168,856	266,550	5,036
Rental income	-	2,000	2,000	-
	97,694	170,856	268,550	14,164

7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Ambition for Excellence	-	284,238	284,238
Venue Programme	746,026	941,630	1,687,656
Great Places	-	61,654	61,654
National Partners Programme	-	243,369	243,369
Citywide	-	1,405	1,405
Coastal Communities	-	95,598	95,598
Governance costs (note 8)	127,065	-	127,065
	873,091	1,627,894	2,500,985

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Ambition for Excellence	-	89,062	89,062
Venue Programme	373,295	254,715	628,010
Great Places	-	342,136	342,136
Citywide Programme	-	47,736	47,736
National Partners Programme	-	134,586	134,586
Coastal Communities	-	95,035	95,035
Governance costs (note 8)	143,029	-	143,029
	516,324	963,270	1,479,594

8 Analysis of governance and support costs

Raising funds expenditure

Governance costs

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Staff costs				
Wages and salaries	-	-	-	59,939
Audit fees				
Audit of the financial statements	7,000	-	7,000	3,750
Other fees paid to auditors	9,535	-	9,535	8,573
Marketing and publicity	49,518	-	49,518	28,625
Depreciation, amortisation and other similar costs	5,826	-	5,826	7,068
Other governance costs	55,186	-	55,186	35,074
Total for 2022	127,065	-	127,065	143,029
Total for 2021	143,029	-	143,029	

9 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2022 £	2021 £
Audit fees	7,000	3,750
Depreciation of fixed assets	5,826	7,068

10 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.

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

11 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	620,531	423,714
Social security costs	56,381	33,540
Pension costs	13,746	8,078
	690,658	465,332

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

	2022 No	2021 No
Managerial	4	2
Officers (including casual staff)	39	13
	43	15

The number of employees whose emoluments fell within the following bands was:

	2022 No
£60,001 - £70,000	1

Payroll costs included above for the prior year included £59,939 relating to the 'gift in kind' value of staff made available to the charity during the year, but where no actual charge was made.

The total employee benefits of the key management personnel of the charity were £175,215 (2021 - £101,772).

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

12 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	7,000	3,750
Other fees to auditors		
All other non-audit services	9,535	8,573

13 Taxation

The charity is 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.

14 Tangible fixed assets

	IT Equipment £	Total £
Cost		
At 1 April 2021	21,583	21,583
Additions	62,481	62,481
At 31 March 2022	84,064	84,064
Depreciation		
At 1 April 2021	13,409	13,409
Charge for the year	12,694	12,694
At 31 March 2022	26,103	26,103
Net book value		
At 31 March 2022	57,961	57,961
At 31 March 2021	8,174	8,174

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

15 Debtors

	2022 £	2021 £
Trade debtors	18,185	24,912
Due from group undertakings	10,000	-
Prepayments	24,738	18,475
Accrued income	784,282	396,967
VAT recoverable	9,169	21,969
Other debtors	18,288	1,358
	864,662	463,681

16 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	219,592	126,557
Other taxation and social security	18,968	-
Other creditors	-	83
Accruals and deferred income	195,488	135,574
Deferred income	146,895	-
	580,943	262,214

	2022 £
Resources deferred in the period	146,895

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

17 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds					
General					
General	208,562	760,300	(873,091)	353,237	449,008
Restricted funds					
Glass Exchange	31,238	298,000	(284,238)	-	45,000
Great Place Programme	6,636	45,036	(61,654)	9,982	-
Citywide Programme	18,317	7,535	(1,405)	(24,447)	-
Coastal Communities Programme	9,643	123,490	(95,599)	(37,534)	-
National Partners Programme	129,547	122,353	(243,369)	47,469	56,000
Venue Programme	558,278	820,179	(941,629)	(348,707)	88,121
Total restricted funds	753,659	1,416,593	(1,627,894)	(353,237)	189,121
Total funds	962,221	2,176,893	(2,500,985)	-	638,129

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

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds, where the trustees, at their discretion, have created a fund for a specific purpose.

The transfer in the year from restricted funds represents re-allocation of expenditure against restricted funds which have ceased in the year.

The basis for calculating 'free reserves' are after allowing for all designated funds, fixed assets and other non-current assets and liabilities.

General funds
General funds comprise those funds which the trustees are free to use for any purpose in furtherance of charitable objects.

Ambition for Excellence- Glass Exchange
This fund represents grants made by Arts Council England through the Ambition for Excellence Programme to the Glass Exchange project to enable Sunderland Culture to commission five contemporary artists to make new work in glass in partnership with Durham Cathedral.

Great Places
This fund represents a programme of work across the entire city working to increase opportunities for young people, support health and wellbeing, increase community cohesion and support artists and creative programme is received from National Lottery Heritage Fund, Arts Council England, Sunderland City Council, Sir James Knott Trust, Cultural Spring, Culture Bridge North East, Nexus, Sunderland Bid and Hays Travel.

Citywide Programme
This fund represents a programme of performances and events held in locations across the city and includes the artistic programme that accompanied the visit of the Tall Ships Races to Sunderland as well as commissions delivered as part of the commemoration events to mark the centenary of World War 1. Funds were received from Sunderland City Council and Imperial War Museum (14-18Now).

Coastal Communities
This fund represents grants secured in partnership with Sunderland City Council from the Ministry of Housing, Communities and Local Government for the delivery of activity which supports artists and creative businesses in Sunderland.

National Partners Programme
This fund represents a programme of exhibitions of work from the Arts Council Collection and associated learning, community engagement and digital projects. It is funded by grants from Arts Council England.

Governance costs- Venue Programme
These costs represent funds expended on the set up and development of Sunderland Culture funded by Arts Council England and National Lottery Heritage Fund.

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

18 Analysis of net assets between funds

	Unrestricted		
	General £	Restricted £	Total funds 2022 £
Tangible fixed assets	57,961	-	57,961
Net current assets/(liabilities)	391,047	189,121	580,168
Total net assets	449,008	189,121	638,129

	Unrestricted		
	General £	Restricted £	Total funds at 31 March 2021 £
Tangible fixed assets	8,174	-	8,174
Net current assets/(liabilities)	200,388	753,659	954,047
Total net assets	208,562	753,659	962,221

19 Related party transactions

During the year the charity made the following related party transactions:

Sunderland Business Ltd
Sunderland Business Ltd is related to the charity via virtue of common officers. The charity has incurred costs from Sunderland Business Ltd of £5,876 (2021: £5,000). At the balance sheet date the amount due to/from Sunderland Business Ltd was £Nil (2021 - £Nil).

University of Sunderland
University of Sunderland is related to the charity via virtue of common officers. The charity has incurred costs from University of Sunderland of £300,916 (2021: £340,512). University of Sunderland has made contributions to incoming resources of £8,235 (2021: £440). The University of Sunderland have provided key staff members to the charity and this has been reflected as a gift in kind within the financial statements of £nil (2021: £59,939). The University of Sunderland also provide two office spaces for use by Sunderland Culture Limited which they do not charge for, this has been shown as a gift in kind of £20,000 (2021: £20,000) for the year. At the balance sheet date the amount due to/from University of Sunderland was £Nil (2021 - £Nil).

Sunderland Music, Arts and Culture Trust
Sunderland Music, Arts and Culture Trust is related to the charity via virtue of common officers. Sunderland Music, Arts and Culture Trust made contributions to incoming resources of £3,936 (2021: £9,128) in the year for the management of the Fire Station. At the balance sheet date the amount due to/from Sunderland Music, Arts and Culture Trust was £Nil (2021 - £Nil).

Yorkshire Film Archive
Yorkshire Film Archive is related to the charity via virtue of common officers. The charity has incurred costs from Yorkshire Film Archive of £nil (2021: £6,000). At the balance sheet date the amount due to/from Yorkshire Film Archive was £Nil (2021 - £Nil).

SUNDERLAND CULTURE LIMITED

England & Wales - Charity number 1184073

Accounts

Company registration number: 10098742

Charity registration number: 1184073

SUNDERLAND CULTURE LIMITED

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Sunderland Culture Limited

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 8
Independent Auditors' Report	9 to 11
Statement of Financial Activities	12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16 to 30

Sunderland Culture Limited

Reference and Administrative Details

Chair	J M Earl
Trustees	J D Mowbray A R Mackay G E Callaghan I B Kadchha A Turpin G Thompson S C Knight F C Brown P M Callaghan J Kelly (resigned 17 December 2020) J M Earl (appointed 17 December 2020) Cllr L Williams (appointed 17 December 2020)
Secretary	Rebecca Ball
Principal Office	National Glass Centre Liberty Way Sunderland SR6 0GL The charity is incorporated in England and Wales.
Company Registration Number	10098742
Charity Registration Number	1184073
Bankers	Handlesbanken Sunderland 17 Pickersgill Court Quay West Riverside Business Village Sunderland SR5 2AQ
Auditor	MHA Tait Walker Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

Sunderland Culture Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2021.

Structure, governance and management

Nature of governing document

The company is a charitable company limited by guarantee and does not have share capital. The company is governed by its Articles of Association.

Sunderland Culture Limited ("the Charity") is a company limited by guarantee. It was incorporated on 2nd April 2016 and registered as a charity with the Charity Commission on 24th June 2019. Its Articles of Association were last amended on 6th June 2019.

Recruitment and appointment of trustees

In accordance with the Articles of Association, the trustees must be a minimum of three and shall not be subject to any maximum provided that each of the following bodies is entitled at any time to appoint directors up to the number specified opposite their name:

1. Sunderland City Council - up to 2 nominated directors
2. University of Sunderland - up to 2 nominated directors
3. Sunderland Music, Arts and Culture Trust - up to 2 nominated directors

The above bodies may remove and replace any of its nominated directors by giving notice in writing to the charity.

A director must be a natural person aged 16 years or older and not be disqualified from acting under the provisions of article 39.

A director may not appoint an alternate director or anyone to act on his or her behalf at meetings of the directors.

Arrangements for setting key management personnel remuneration

The board, who give their time freely and trustees received no remuneration in the year. The board have considered who the Key Management Personnel (KMP) of the charitable company are and conclude that there are none aside from the trustees themselves.

Organisational structure

The charitable company is administered by a board of trustees which meets a minimum of four times a year. Day to day activities are controlled by a Chief Executive who is assisted by a Director of Finance.

Sunderland Culture Limited

Trustees' Report

Objectives and activities

Objects and aims

The charitable company's object and principal activity is to:

Advance the arts and culture and to advance education in the arts of performance, music, drama, poetry reading, sculpture, painting, photography, handicrafts, literature, glass-making, history, film and all other associated arts (“the Arts") in particular, but not exclusively by:

Encouraging public participation in the Arts and by the presentation of concerts, performances, exhibitions and festivals, provided that the promotion of such festivals and events is undertaken solely for the Public Benefit;

Developing new and innovative ways of delivering the Arts;

Participation in and, where appropriate, management and oversight of, cultural operations, venues and activities primarily in the City of Sunderland to ensure maximum benefit and return, provided that such participation and management is undertaken solely for Public Benefit.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

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

In delivering the organisation’s objects, Sunderland Culture’s Trustees agreed a business plan which sets out a mission to “Improve life for everyone in Sunderland through culture” through three strategic ambitions:

- To ensure an excellent, diverse artistic and heritage offer
- To encourage everyone to get involved
- To secure a revitalised, joined up and accessible cultural infrastructure

Sunderland Culture Limited

Trustees' Report

This work is achieved through the delivery of a core programme of exhibitions, events, performances and learning programmes at the venues owned by our partners: Northern Gallery for Contemporary Art (NGCA) (University of Sunderland) National Glass Centre (University of Sunderland) Sunderland Museum and Winter Gardens (Sunderland City Council) Arts Centre Washington (Sunderland City Council) The Fire Station (Sunderland MAC Trust), as well as a through a citywide programme of participatory cultural activities.

Through a Collaboration Agreement with its partners, Sunderland Culture brings together the investment and resources from the three main funders of arts provision in the city, Sunderland City Council, University of Sunderland and Sunderland Music, Arts and Culture (MAC) Trust, alongside investment from Arts Council England, other charitable trusts and foundations and earned income.

The impact of the Covid 19 pandemic during 2020/21 resulted in exceptional upheaval, disruption and challenge for Sunderland Culture. Like other organisations across the cultural sector, the venues where we deliver our work were forced to close, events were cancelled and many of our income streams dried up.

Vital investment from DCMS, through the Culture Recovery Fund, Arts Council England, Art Fund, Garfield Weston Culture Fund and Sunderland City Council has enabled us to sustain our organisation and operations during this most of challenging years. We are also immensely grateful for the support we were able to access through the Job Retention Scheme.

Whilst venues were closed to the public and many of our staff team were furloughed, a small team were still able to continue deliver a reworked and refocused cultural programme for communities across the city. Much of this programme was delivered online, with 277,246 visitors to our online and digital programmes.

Highlights included:
• Launch of a new online shop for National Glass Centre which generated over £15,000 of sales in it's first year
• A programme of support for artists and creative businesses impacted by the pandemic across the city which delivered eighty-two 121 support session, 62 skills workshops and supported artists based in the city to raise £300,000 through a range of emergency funding and support schemes.
• 22,793 people participated in online creative activities for children and families, many of these were focussed around school holidays including Easter, May Half Term and Summer.
• Health and Wellbeing Creativity packs which were distributed to over 400 pupils through the Link School
• Summer Holiday creative 'takeaway packs' were accessed through a collection service at Sunderland Museum and Winter Gardens
• Four Sunderland- based writers were commissioned to create monologues entitled 'Sunderland Stories' which were streamed online.
• Existing exhibitions across the venues, including 'Received Wisdom' at Sunderland Museum and Winter Gardens, 'Chad McCail: Toy' at the Northern Gallery of Contemporary Art and 'No Strings' at the National Glass Centre were moved online
• Our new app Art Crush which enabled access to the Arts Council Collection, attracted 4837 users
• A new exhibition 'Paint the Town in Sound' developed in lockdown and guest curated with Mercury Prize nominated Sunderland based band Field Music developed as an extensive online exhibition, VR experience and series of podcasts.

During 2020/21 the Board of Trustees met 4 times and the Finance and General Purposes Committee met 12 times. The Board also began work on a governance review, supported by Counterculture.

Sunderland Culture Limited

Trustees' Report

During this year, Graeme Thompson stood down as Chair of Trustees and Keith Merrin announced his resignation as Chief Executive. We are enormously grateful to Graeme and Keith for all their hard work in establishing Sunderland Culture and leading the organisation during its first 4 years. Following an open application process, Jane Earl was appointed Sunderland Culture's new Chair of Trustees in December 2020. Rebecca Ball, Sunderland Culture's Creative Director, was appointed interim Chief Executive in April 2021 and then, following an open application process, was appointed to the role permanently in July 2021.

As we look ahead to 2021/22 we are relieved and thankful that through the support of our partners and the hard work of our staff and board we have been able to end the year in a relatively strong financial position. However, we are very mindful that the impact of the pandemic is certainly not over and the financial operating context for Sunderland Culture is likely to remain challenging for some time to come. We believe that the resourcefulness and resilience of the staff team and our partners places us in a good position to continue to innovate and deliver on our ambitions in the next year and beyond.

Financial review
During 2020/21 Sunderland Culture was responsible for the delivery of the core programme of exhibitions, events, performances and learning opportunities across 5 venues owned by our partners - Northern Gallery for Contemporary Art (NGCA) (University of Sunderland) National Glass Centre (University of Sunderland) Sunderland Museum and Winter Gardens (Sunderland City Council) Arts Centre Washington (Sunderland City Council) The Fire Station (Sunderland MAC Trust), and through our City-Wide programme . As such the majority of our expenditure was on programme delivery and staffing,

During 2020/21 Sunderland Culture employed 12 members of staff directly. Sunderland Culture also contributed to the salary costs of staff, employed by our partners, to deliver programme across the core venues, through quarterly payments to those partners.

Investment through Arts Council England's NPO programme provided vital support for the organisation's core activities and operations.In addition, many of our creative programmes and projects were supported by Restricted Funding.

The impact of Covid meant that our earned income including tickets for performances, exhibitions and workshops was considerably lower than previous years. We are immensely grateful to the emergency support we received through DCMS via the Cultural Recovery Fund, Arts Council England, Art Fund, Garfield Weston Culture Fund and Sunderland City Council.

It is also important to note the considerable ongoing investment made by our partners. Sunderland City Council, University of Sunderland and MAC Trust in the maintenance, operation and management of their respective cultural facilities. Whilst that investment sits beyond these accounts, it is absolutely vital in enabling that delivery of this work. We are indebted to all of our partners for their continued investment in and support for culture in Sunderland, without which Sunderland Culture could not deliver its programmes.

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of three months of total income, which would equate to holding approximately £580,000 in free reserves.

At the year end, free reserves were £208,562 (2020 £(23,191) deficit). This is an increase of £231,753 which the Trustees are satisfied with given the covid recovery funds they accessed in the year.

Principal funding sources

The charity and its trustees recognise that both the University of Sunderland, Sunderland City Council and MAC Trust have funded costs associated with our venues directly, and that, without this ongoing support, the charity would be unable to operate solely. These funded costs have not been recognised within the financial statements of Sunderland Culture. See note 22.

The charity recognises the principal funding sources in the year as follows:

Funder	Amount
3 Together Big Local - Creative Covid response project	2,000
Art Fund	49,500
Arts Council England	1,153,161
Community Foundation	3,250
Design Lab - V&A Design Lab Nation	2,032
Future Arts Centres	8,600
Garfield Weston Foundation	150,970
Groundwork NE & Cumbria – Three Together Big Local	11,300
HMRC - JRS Income	54,465
Imperial War Museum – 14-18 NOW	4,412
Jerwood Arts – Weston Jerwood Creative Bursary	14,265
National Gallery	5,000
National Lottery Community Fund	10,000
National Lottery Heritage Fund	577,383
Newcastle Gateshead Initiative – GX Grant Programme	5,612
Newcastle University	20,000
Sir James Knott Trust	20,000
Southbank Centre	50,600
Sunderland City Council – Washington Area Committee, Washington Can Do Fund, Millfield Area,Covid Winter, Holiday Hunger	31,726
Sunderland City Council - Coastal Communities	127,923

Key Management Personnel

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charity are. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

Sunderland Culture Limited

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

Activity in the new financial year has continued to be impacted by the COVID19 pandemic, with all cultural venues closed to the public until the middle of May 21, limitations on numbers and social distancing in place until the middle of July 21 and live performance not returning to Arts centre Washington until the Autumn 21. As a result, Sunderland Culture has continued to deliver a mix of online and live activity in order to ensure we deliver a cultural programme for Sunderland that contributes to recovery and meets the needs of our city at this time.

The first quarter of 2021/22 saw the end of Sunderland Culture's Great Place Programme. This project had been fundamental in the delivery of our citywide ambitions and the development of Sunderland Culture's business model. We are pleased that the legacy of this programme continues through our talent development, arts and health and education and learning programmes.

During 2021/2022, the National Partners Programme with Arts Council Collection will enable the Sunderland to host Sir Anthony Gormley's 'Field for the British Isles', as well as to develop a new exhibition about the impact of Covid on the city 'Where Are We Now' and facilitate special exhibition curated by our team of Young Curators Celebrate Different Collective.

Thanks to support through Garfield Weston Culture Fund, National Glass Centre will host its first ever Art Prize in 2021, featuring work by 42 artists from across Europe.

And towards the end of this year, thanks to the hard work and determination of our partner the Sunderland MAC Trust, we will see a thrilling new addition to the city, with the opening of The Fire Station, a new, state-of-the-art performance venue for Sunderland, designed by award-winning architects Flanagan Lawrence which will be operated by Sunderland Culture and will provide both new creative and business opportunities for the organisation.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Sunderland Culture Limited

Trustees' Report

Statement of Trustees Responsibilities
The trustees (who are also the directors of Sunderland Culture Limited 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.

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.

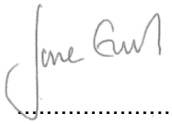
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements 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.

Disclosure of information to auditor
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

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

Reappointment of auditor
In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of MHA Tait Walker as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

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



.....
J M Earl
Chairman and Trustee

Sunderland Culture Limited

Independent Auditor's Report to the Members of Sunderland Culture Limited

Opinion

We have audited the financial statements of Sunderland Culture Limited (the 'charity') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Sunderland Culture Limited

Independent Auditor's Report to the Members of Sunderland Culture Limited

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 8), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Independent Auditor's Report to the Members of Sunderland Culture Limited

• Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
• Reviewing board minutes;
• Challenging assumptions and judgements made by management in their significant accounting estimates; and
• Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety and compliance with both the UK Companies Act and UK Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

.....
Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of MHA Tait Walker
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date:.....

MHA Tait Walker is a trading name of Tait Walker LLP.

Sunderland Culture Limited

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	208,282	-	208,282	140,244
Charitable activities	4	512,693	1,486,448	1,999,141	1,327,496
Investment income	5	124	-	124	664
Other income	6	14,164	-	14,164	200,351
Total Income		735,263	1,486,448	2,221,711	1,668,755
Expenditure on:					
Raising funds	7	-	-	-	(1,057)
Charitable activities	8	(516,324)	(963,270)	(1,479,594)	(1,918,918)
Total Expenditure		(516,324)	(963,270)	(1,479,594)	(1,919,975)
Net income/(expenditure)		218,939	523,178	742,117	(251,220)
Net movement in funds		218,939	523,178	742,117	(251,220)
Reconciliation of funds					
Total funds brought forward		(10,377)	230,481	220,104	471,324
Total funds carried forward	20	208,562	753,659	962,221	220,104

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

The funds breakdown for 2020 is shown in note 20.

Sunderland Culture Limited

Comparative Statement of Financial Activities for the Year Ended 31 March 2020
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	117,119	23,125	140,244
Charitable activities	4	536,323	791,173	1,327,496
Investment income	5	664	-	664
Other income	6	200,351	-	200,351
Total income		854,457	814,298	1,668,755
Expenditure on:				
Raising funds	7	(1,057)	-	(1,057)
Charitable activities	8	(1,114,142)	(804,776)	(1,918,918)
Total expenditure		(1,115,199)	(804,776)	(1,919,975)
Net (expenditure)/income		(260,742)	9,522	(251,220)
Transfers between funds		211,000	(211,000)	-
Net movement in funds		(49,742)	(201,478)	(251,220)
Reconciliation of funds				
Total funds brought forward		39,365	431,959	471,324
Total funds carried forward	20	(10,377)	230,481	220,104

Sunderland Culture Limited

(Registration number: 10098742)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	15	8,174	12,814
Current assets			
Debtors	16	463,681	379,042
Cash at bank and in hand		752,580	321,681
		1,216,261	700,723
Creditors: Amounts falling due within one year	17	(262,214)	(493,433)
Net current assets		954,047	207,290
Net assets		962,221	220,104
Funds of the charity:			
Restricted		753,659	230,481
Unrestricted income funds			
Unrestricted		208,562	(10,377)
Total funds	20	962,221	220,104

The financial statements on pages 12 to 30 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:

.....
J M Earl
Chairman and Trustee

Sunderland Culture Limited

Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income/(expenditure)		742,117	(251,220)
Adjustments to cash flows from non-cash items			
Depreciation	7	7,068	5,045
Investment income	5	(124)	(664)
		749,061	(246,839)
Working capital adjustments			
Increase in debtors	16	(84,639)	(38,265)
(Decrease)/increase in creditors	17	(231,219)	139,620
Net cash flows from operating activities		433,203	(145,484)
Cash flows from investing activities			
Interest receivable and similar income	5	124	664
Purchase of tangible fixed assets	15	(2,428)	(6,377)
Net cash flows from investing activities		(2,304)	(5,713)
Net increase/(decrease) in cash and cash equivalents		430,899	(151,197)
Cash and cash equivalents at 1 April		321,681	472,878
Cash and cash equivalents at 31 March		752,580	321,681

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

Sunderland Culture Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, 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.

The address of its registered office is: National Glass Centre, Liberty Way, Sunderland, SR6 0GL

2 Accounting policies

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

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) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation
Sunderland Culture Limited 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.

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

Going concern
The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Estimation uncertainty and judgements
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.

Accruals
Accruals are calculated where a service has been provided but the company has not yet been invoiced.

Prepayments
Prepayments are calculated where an invoice has been provided in advance of the service taking place.

Depreciation
Depreciation is calculated on tangible fixed assets at a rate to write off the cost of the asset over its expected useful life.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Income includes amounts received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned.

Donations and grant income included is recognised where there is entitlement, the receipt is probable and the amount can be measured with sufficient reliability.

In the event that a donation or grant is subject to conditions that require a level of performance 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 those conditions will be fulfilled in the reporting period.

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.

Gifts in kind

Where a gift in kind is given to the charity and it can be reliably measured, the gift is shown in both voluntary income and charitable activities.

Investment income

Bank interest received is recognised once it has been received.

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.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

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 £300.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

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

Asset class	Depreciation method and rate
IT equipment	33.33% straight line

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.

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

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

Trade creditors are recognised initially at the transaction price.

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

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

Hire purchase and finance leases
Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Funds managed on behalf of others
The charity manages (on behalf of the landlord) a property which is let to multiple parties. The charity records only the income in relation to those management tasks, for which it receives a management charge income from the landlord for doing so. All other transactions are held by the charity on the balance sheet as part of monies owed to the landlord.

3 Income from donations and legacies

	Unrestricted General £	Total 2021 £	Total 2020 £
Donations	2,090	2,090	14,598
Coronavirus Job Retention Scheme	60,080	60,080	-
Grants	66,173	66,173	45,707
Gifts in kind	79,939	79,939	79,939
	208,282	208,282	140,244

Gifts in kind total £79,939 (2020: £79,939). The income is shown as voluntary income and the expenditure is included as costs within Charitable Activities expenditure. This represents space used within the National Glass Centre and the Chief Executive's time which is not recharged by the University of Sunderland.

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2021 £
National Portfolio Organisation	509,200	-	509,200
Great Places	-	316,320	316,320
Venue Programme	3,493	812,993	816,486
Coastal Communities	-	127,923	127,923
National Partners Programme	-	225,612	225,612
Citywide	-	3,600	3,600
	512,693	1,486,448	1,999,141

	Unrestricted funds General £	Restricted funds £	Total 2020 £
National Portfolio Organisation	508,000	-	508,000
Great Places	-	442,623	442,623
Venue Programme	28,323	-	28,323
Coastal Communities	-	73,585	73,585
National Partners Programme	-	161,420	161,420
Citywide	-	113,545	113,545
	536,323	791,173	1,327,496

5 Investment income

	Unrestricted funds General £	Total 2021 £
Interest receivable and similar income;		
Interest receivable on bank deposits	124	124
	124	124

	Unrestricted funds General £	Total 2020 £
Interest receivable and similar income;		
Interest receivable on bank deposits	664	664
	664	664

6 Other income

	Unrestricted General £	Total 2021 £	Total 2020 £
MAC Trust	9,128	9,128	37,900
Tickets, workshops and learning visits	5,036	5,036	162,451
	14,164	14,164	200,351

7 Expenditure on raising funds

a) Costs of trading activities

	Total 2021 £	Total 2020 £
Fire station expenditure	-	1,057
	-	1,057

8 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Ambition for Excellence	-	89,062	89,062
Venue Programme	373,295	254,715	628,010
Great Places	-	342,136	342,136
Citywide Programme	-	47,736	47,736
National Partners Programme	-	134,586	134,586
Coastal Communities	-	95,035	95,035
Governance costs (note 9)	143,029	-	143,029
	516,324	963,270	1,479,594

	Unrestricted funds General £	Restricted funds £	Total 2020 £
Ambition for Excellence	-	85,366	85,366
Venue Programme	930,604	-	930,604
Great Places	-	474,266	474,266
Citywide Programme	-	67,217	67,217
National Partners Programme	-	102,899	102,899
Coastal Communities	-	61,830	61,830
Governance costs (note 9)	183,538	13,198	196,736
	1,114,142	804,776	1,918,918

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Restricted funds £	Total funds 2021 £
Staff costs			
Wages and salaries	59,939	-	59,939
Audit fees			
Audit of the financial statements	3,750	-	3,750
Other fees paid to auditors	8,573	-	8,573
Marketing and publicity	28,625	-	28,625
Depreciation, amortisation and other similar costs	7,068	-	7,068
Other governance costs	35,074	-	35,074
	143,029	-	143,029

	Unrestricted funds General £	Restricted funds £	Total 2020 £
Staff costs			
Wages and salaries	59,939	-	59,939
Audit fees			
Audit of the financial statements	3,250	-	3,250
Other fees paid to auditors	6,175	-	6,175
Legal fees	-	13,198	13,198
Marketing and publicity	66,053	-	66,053
Depreciation, amortisation and other similar costs	5,045	-	5,045
Other governance costs	43,076	-	43,076
	183,538	13,198	196,736

Notes to the Financial Statements for the Year Ended 31 March 2021

10 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2021 £	2020 £
Audit fees	3,750	3,250
Depreciation of fixed assets	7,068	5,045

11 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.

12 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	423,714	366,423
Social security costs	33,540	29,707
Pension costs	8,078	7,022
	465,332	403,152

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

	2021 No	2020 No
Managerial	1	1
Officers	14	10
	15	11

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

Payroll costs above include £59,939 (2020: £59,939) relating to the 'gift in kind' value of staff numbers made available to the charity during the year, but where no actual charge was made.

Notes to the Financial Statements for the Year Ended 31 March 2021

13 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	3,750	3,250
Other fees to auditors		
All other non-audit services	8,573	6,175

14 Taxation

The charity is 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.

15 Tangible fixed assets

	IT Equipment £	Total £
Cost		
At 1 April 2020	19,155	19,155
Additions	2,428	2,428
At 31 March 2021	21,583	21,583
Depreciation		
At 1 April 2020	6,341	6,341
Charge for the year	7,068	7,068
At 31 March 2021	13,409	13,409
Net book value		
At 31 March 2021	8,174	8,174
At 31 March 2020	12,814	12,814

16 Debtors

	2021 £	2020 £
Trade debtors	24,912	77,297
Prepayments	18,475	17,864
Accrued income	396,967	224,558
VAT recoverable	21,969	16,177
Other debtors	1,358	43,146
	463,681	379,042

17 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	126,557	278,262
Other taxation and social security	-	9,429
Other creditors	83	4,515
Accruals and deferred income	135,574	201,227
	262,214	493,433

	2021 £	2020 £
Deferred income at 1 April 2020	-	856
Amounts released from previous periods	-	(856)
Deferred income at year end	-	-

18 Obligations under leases and hire purchase contracts

Operating lease commitments

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

	2021 £	2020 £
Other		
Within one year	-	9,913

19 Pension and other schemes

Defined contribution pension scheme
The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £8,078 (2020 - £7,022).

Contributions totalling £Nil (2020 - £1,647) were payable to the scheme at the end of the year and are included in creditors.

20 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted				
General				
General	(10,377)	735,263	(516,324)	208,562
Restricted				
Glass Exchange	120,300	-	(89,062)	31,238
Great Place Programme	32,452	316,320	(342,136)	6,636
Citywide Programme	62,453	3,600	(47,736)	18,317
Coastal Communities Programme	(23,245)	127,923	(95,035)	9,643
National Partners Programme	38,521	225,612	(134,586)	129,547
Venue Programme	-	812,993	(254,715)	558,278
Total restricted	230,481	1,486,448	(963,270)	753,659
Total funds	220,104	2,221,711	(1,479,594)	962,221

Notes to the Financial Statements for the Year Ended 31 March 2021

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds, where the trustees, at their discretion, have created a fund for a specific purpose.

The basis for calculating 'free reserves' are after allowing for all designated funds, fixed assets and other non-current assets and liabilities.

General funds
General funds comprise those funds which the trustees are free to use for any purpose in furtherance of charitable objects.

Ambition for Excellence
This fund represents grants made by Arts Council England through the Ambition for Excellence Programme to the Glass Exchange project to enable Sunderland Culture to commission five contemporary artists to make new work in glass in partnership with Durham Cathedral.

Great Places
This fund represents a programme of work across the entire city working to increase opportunities for young people, support health and wellbeing, increase community cohesion and support artists and creative programme is received from National Lottery Heritage Fund, Arts Council England, Sunderland City Council, Sir James Knott Trust, Cultural Spring, Culture Bridge North East, Nexus, Sunderland Bid and Hays Travel.

Citywide Programme
This fund represents a programme of performances and events held in locations across the city and includes the artistic programme that accompanied the visit of the Tall Ships Races to Sunderland as well as commissions delivered as part of the commemoration events to mark the centenary of World War 1. Funds were received from Sunderland City Council and Imperial War Museum (14-18Now).

Coastal Communities
This fund represents grants secured in partnership with Sunderland City Council from the Ministry of Housing, Communities and Local Government for the delivery of activity which supports artists and creative businesses in Sunderland.

National Partners Programme
This fund represents a programme of exhibitions of work from the Arts Council Collection and associated learning, community engagement and digital projects. It is funded by grants from Arts Council England.

Governance costs
These costs represent funds expended on the set up and development of Sunderland Culture funded by Arts Council England and National Lottery Heritage Fund.

Notes to the Financial Statements for the Year Ended 31 March 2021

21 Analysis of net assets between funds

	Unrestricted General £	Restricted £	Total funds 2021 £
Tangible fixed assets	8,174	-	8,174
Net current assets/(liabilities)	200,388	753,659	954,047
Total net assets	208,562	753,659	962,221

	Unrestricted General £	Restricted £	Total funds at 31 March 2020 £
Tangible fixed assets	12,814	-	12,814
Net current assets/(liabilities)	(23,191)	230,481	207,290
Total net assets	(10,377)	230,481	220,104

22 Related party transactions

During the year the charity made the following related party transactions:

Pub Culture Limited
Pub Culture Limited is related to the charity via virtue of common officers. The charity has incurred costs from Pub Culture Limited of £nil (2020: £1,340). At the balance sheet date the amount due to/from from Pub Culture Limited was £Nil (2020 - £5,946).

Sunderland Business Ltd
Sunderland Business Ltd is related to the charity via virtue of common officers. The charity has incurred costs from Sunderland Business Ltd of £5,000 (2020: £6,000). At the balance sheet date the amount due to/from Sunderland Business Ltd was £Nil (2020 - £Nil).

University of Sunderland
University of Sunderland is related to the charity via virtue of common officers. The charity has incurred costs from University of Sunderland of £340,512 (2020: £406,943). University of Sunderland has made contributions to incoming resources of £440 (2020: £250). The University of Sunderland have provided key staff members to the charity and this has been reflected as a gift in kind within the financial statements. The University of Sunderland also provide two office spaces for use by Sunderland Culture Limited which they do not charge for, this has been shown as a gift in kind of £20,000 (2020: £20,000) for the year. At the balance sheet date the amount due to University of Sunderland was £95,761 (2020 - £189,846).

Sunderland Music, Arts and Culture Trust
Sunderland Music, Arts and Culture Trust is related to the charity via virtue of common officers. Sunderland Music, Arts and Culture Trust made contributions to incoming resources of £9,128 (2020: £52,000) in the year for the management of the Fire Station. In relation to the management of the Fire Station the charity has incurred costs from Sunderland Music, Arts and Culture Trust of £nil (2020: £5,621). The charity has incurred other charitable costs from Sunderland Music, Arts and Culture Trust of £nil (2020: £2,083). At the balance sheet date the amount due to/from from Sunderland Music, Arts and Culture Trust was £Nil (2020 - £5,256).

Leighton Management Limited
Leighton Management Limited is related to the charity via virtue of common officers. They hold the head lease from Sunderland Music, Arts and Culture Trust for the Fire Station which Sunderland Culture Ltd were the management agent. The charity has collected and paid over rental income of £nil (2020: £25,224). At the balance sheet date the amount due to/from Leighton Management Limited was £Nil (2020 - £Nil).

Yorkshire Film Archive
Yorkshire Film Archive is related to the charity via virtue of common officers. The charity has incurred costs from Yorkshire Film Archive of £6,000 (2020: £125). At the balance sheet date the amount due to/from Yorkshire Film Archive was £Nil (2020 - £Nil).

The Customs House Trust Limited
The Customs House Trust Limited is related to the charity via virtue of common officers. The Customs House Trust Limited made contributions to incoming resources of £nil (2020: £100) in the year. At the balance sheet date the amount due to/from The Customs House Trust Limited was £Nil (2020 - £Nil).

Cultural Spring
Cultural Spring is related to the charity via virtue of common officers. Cultural Spring made contributions to incoming resources of £nil (2020: £1,000) in the year. At the balance sheet date the amount due to/from from Cultural Spring was £Nil (2020 - £1,000).