

Registered Charity Number 1186306

NORTHERN HEARTLANDS CIO
(A CHARITABLE INCORPORATED ORGANISATION)

REPORT AND ACCOUNTS
For the year ending 31 March 2025

NORTHERN HEARTLANDS CIO
(A CHARITABLE INCORPORATED ORGANISATION)
YEAR ENDED 31 MARCH 2025
TRUSTEES' REPORT

As the Board of Trustees, we present our report and financial statements for the year to 31 March 2025.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Number	1186306
Registered Office	3 Witham Studios, Hall Street, Barnard Castle DL12 8JB
Independent Examiner	Pete O'Hara FCA, Chartered Accountant, 26 La Sagesse, Jesmond, Newcastle upon Tyne NE2 3AF

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Northern Heartlands CIO was established as a Charitable Incorporated Organisation (CIO) on 13 November 2019. As a CIO it is governed by its constitution.

Structure and Governance/ Board of Trustees

The charity currently has a board of four non-executive Trustees.

The Trustees of Northern Heartlands CIO during the year and to the date of signing this report were as follows:

Mr A M J Harrington	
Mrs J Irving (nee Hartley)	
Ms L Jenkins	Appointed 14 January 2025
Mr B Tinkler	Appointed 25 October 2024
Mrs A Tutin	
Mr G D Young	

Recruitment and Appointment of Board of Trustees

Whilst we are delighted to have recruited two highly qualified and experienced Trustees during the year, we remain mindful that in order for our Board to be truly balanced we would still like to recruit another Trustee with lived experience of the communities we aim to serve and represent.

We have reviewed our approach to the recruitment process and continue to search actively for the right person to join our Board.

Trustee Induction and Training

Trustees are provided with a range of resources to support their understanding of Northern Heartlands' activities and outlining Trustee duties and responsibilities.

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STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Management

Day-to-day operation of the charity is delegated to the Director, Jill Cole, and Senior Manager, Katy Milne.

The charity currently employs a total of four people:

- Director - Jill Cole (0.8 Full Time Equivalent) (FTE)
- Senior Manager - Katy Milne (full-time)
- Creative Communities Co-ordinator - Lyndsey Middleton (0.8 FTE)
- Office & Systems Manager - Jayne Bradley (full-time).

Payroll is managed externally by Allen Sykes, Accountants.

OBJECTIVES AND ACTIVITIES

Charitable Purpose, Aims & Objectives

Our principal charitable objective is "*To advance the education of the public in the subject of the arts through the provision of seminars and workshops*".

As an arts charity and Arts Council England National Portfolio Organisation we have continued to work primarily with communities and individuals in County Durham, with our main area of benefit being the deeply rural hill-farming communities of Teesdale & Weardale as well as the post-industrial communities of the former Durham coalfield area. We have retained a strong regional profile and the year also saw some delivery in the Yorkshire Dales as part of the 'Tees-Swale: Creatively Connected' programme.

We work with people to celebrate the unique identity of a place, valuing its heritage and culture, and fostering creativity. By amplifying local voices, we help empower communities to overcome challenges and imagine new possibilities so meaningful change can happen.

Our practice involves bringing together artists, communities and partners to create the conditions for creativity to flourish.

Our work has three interconnected strands:

- Health & Wellbeing
- Connected Communities
- Landscape & Environment

Vision, Mission & Values

Northern Heartlands' Vision is for strong, connected, and healthy local communities, where people are actively involved in shaping their lives and their environment.

Northern Heartlands' Mission is to engage and support local people and communities by using creativity to develop agency, build social capital and foster individual potential.

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OBJECTIVES AND ACTIVITIES (CONTINUED)

Vision, Mission & Values (Cont.)

We aim to achieve this mission by:

- Recognising that each place we work in, and each community we work with, is unique
- Working with creative practitioners in everything we do
- Ensuring we always work collaboratively with communities
- Always reviewing, learning from and adapting our approach and sharing our learning with others
- Supporting artists and creative practitioners to reach their full potential
- Working in partnership

Our Values:

We aspire to be:

- Committed - to what we do, to each other to those we work with
- Trusted - by each other and by those we work with
- Dignified - in our own actions and by respecting the dignity of everyone we work with
- Ambitious - for ourselves, for our organisation and for the places, the communities, and the individuals we work with
- Authentic - in all of our actions
- Humble - in respecting and valuing the opinions and beliefs of others

Public Benefit

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

The Trustees believe that the charity meets both of the key principles.

Principle 1 - There must be an identifiable benefit, or benefits

The benefits from our work are:

Improved mental wellbeing for individuals of all ages and backgrounds, and particularly for those living in areas of socio-economic deprivation and/or deeply rural areas in South-West Durham.

This is most clearly evidenced through our work with Bishop Busy Hands – the legacy group established as a result of the Four Clocks Group which we continued to support until December 2024. Weekly creative sessions were run for participants, many of whom live with complex mental and in some cases physical disabilities. We were especially proud of group member Becky Sullivan, who volunteered to be on the Committee of the new group and from December 2024 took a lead in devising creative sessions, promoting the group's activities to others and undertaking her own professional development. Becky lives with complex disabilities and has cited her involvement with the group as being key to improvement in her mental health and directly resulting in reduced visits to her GP and a decrease in her medication.

Throughout the project, 124 sessions were facilitated for over 40 adults with a range of health and wellbeing needs

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OBJECTIVES AND ACTIVITIES (CONTINUED)

Public Benefit (Cont.)

"Since joining it really has helped me so much for my own mental wellbeing. It has genuinely helped me with my confidence in getting involved with people again and life too" (Take Part in Teesdale participant)

Building on the success of Bishop Busy Hands and a commitment to delivering creative health activity, we ran a year-long project benefiting residents of four former pit villages in Teesdale. Using the same model as Four Clocks/Bishop Busy Hands, free weekly creative sessions were offered to tackle loneliness and isolation and improve health and wellbeing outcomes for adults living in rural Teesdale. 27 adults took part in arts activity exploring photography, filmmaking, creative writing and textiles. 44 weekly sessions were delivered by 9 different artists and free transport was provided to widen access

Increased community cohesion in our area of benefit.

During the year, this included support for community groups in Weardale and Shildon as part of the local authority's Place Partnership programme 'Into The Light' through the Place Lab Project, a programme of engagement and participation which significantly added value to the work of existing community groups and helped establish stronger locality networks. We were also pleased to work in partnership with other organisation to deliver 'Pride in Teesdale' – a programme of workshop activities and events benefiting the LGBTQA+ community in Teesdale and raising awareness and acceptance of an under-served section of the public.

"Today made me feel...connected, uplifted, hopeful, a sense of togetherness and shared humanity" (Community Participant)

Principle 2 - Benefit must be to the public, or a section of the public

All elements of our work have provided benefit to the public in general. Throughout the year, we directly engaged 6,162 people across more than 308 events, exhibitions and activities. We delivered activities for people of all ages in a variety of settings, including village halls and community centres, a local observatory, primary and secondary schools, cultural venues (The Witham Arts Centre and The Bowes Museum) and outdoors in nature.

Principle 2 - Benefit must be to the public, or a section of the public

Reserves Policy

In Q4 of this year, the Trustees reviewed Northern Heartlands' Reserves Policy in line with the guidance issued by the Charity Commission.

The Trustees aim firstly to hold a level of unrestricted Reserves which enables the charity to have sufficient financial resources to meet various liabilities which would crystallise if Northern Heartlands' funding were to be withdrawn and/or it were unable to continue operating.

A target reserves figure has been calculated based on contractual notice periods of staff and the time required to wind up the charity, and takes into account costs to cover staff salaries, statutory redundancy payments, overheads costs and estimated liabilities.

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OBJECTIVES AND ACTIVITIES (CONTINUED)

Reserves Policy

At present, the Trustees therefore estimate that the Unrestricted Reserves required for such purposes amount to approximately £45,000.

If possible, the Trustees then aspire to retain an additional allowance of c£10,000 to enable the charity to respond flexibly to issues or appropriate initiatives which might be identified outside of its annual budgeting process.

The required level of Reserves is therefore in the range of £45,000 to £55,000.

Northern Heartlands currently has total Unrestricted Reserves at 31 March 2025 of £59,151 (2024: £41,500). Free Reserves, defined as Unrestricted Funds minus any Designated Funds minus the value of Tangible Fixed Assets are £57,971 (2024: £40,965), which is slightly above the target level but is felt to provide a modest degree of additional contingency.

The Trustees review specific liabilities at every quarterly Board meeting.

The Reserves Policy is revisited by the Board annually in the light of progress against budget and is updated at the time of drafting the annual accounts.

Investment Policy

The charity has the power under the Constitution to make any investment which the Trustees see fit.

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TRUSTEES' REPORT

OBJECTIVES AND ACTIVITIES (CONTINUED)

Risk Management

The Trustees of the charity regularly review the major governance, operational and financial risks which the charity faces as part of its annual business planning process and confirm that systems have been established to mitigate these risks.

Northern Heartlands has a risk management strategy in place that comprises:

- an annual review of the strategic risks the charity may face
- the establishment of systems and procedures to mitigate identified risks
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The Trustees are satisfied that appropriate financial systems and controls are in place, together with appropriate employment policies and practices.

The Trustees consider the key risks facing the charity at this time and the mitigating actions taken to be as follows.

The Trustees consider the key risks facing the charity at this time to be as follows:

- a) Loss of key personnel with the Director's impending retirement (March 2026) and failure to attract and retain high calibre of staff with the right skill sets.
- b) The organisation's inability to cover core costs owing to lack of unrestricted funding
- c) Original Board members nearing retirement from office per constitution (maximum of 3 x three-year terms as a Trustee).
- d) Competition for funding from key trusts and foundations

These risks are mitigated in the following ways:

- a) Succession planning for April 2026 is underway. Options are being considered in light of financial forecasts.
- b) Trustees are working with staff to pursue an alternative business model including the potential of earned income generated from the organisation's charitable services. All project budgets include realistic full cost recovery.
- c) The charity has a detailed Trustee Recruitment policy in place; Trustees and staff are alert to the need to recruit a Trustee with lived experience and an opportunity to become a Trustee for the charity is retained on the Northern Heartlands website.
- d) We continue to ensure partnership working and knowledge sharing with other County Durham-based cultural organisations, actively seeking possibilities for combined funding applications. We are developing a new business model with support from the Pilotlight 360 programme (see below for further details of this)

The Trustees also manage the general financial risks by ensuring that:

- prudent budgets are set for each financial year
- the charity maintains a low cost-base

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TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE

Summary of the Charity's Main Achievements During the Year

The charity began the year in a healthy position. 2024-25 marked our second year as an Arts Council England National Portfolio Organisation with unrestricted funding of £100k per annum, and also the second year in which the charity was in receipt of unrestricted funding from the Esmée Fairbairn Foundation which this year amounted to £62,405.

Northern Heartlands continued to play a key role in the cultural sector in the North East, with Director Jill Cole serving as co-Chair of Culture Durham and remaining on the Board of the North East Culture Partnership as well as being the 'arts representative' on the Advisory Board of TeesSwale: Naturally Connected, a £8.5m nature recovery programme funded primarily by NLHF.

Our small core staff of 2 full-time and 2 0.8 FTEs is supplemented by creative and cultural freelancers; this year saw us working with over 70 artists and creative practitioners as well as a freelance social media manager who was working part time with us and succeeded in significantly increasing our social media profile.

Partnership working remains core to our working practice, and the year saw us partnering/working with the following organisations on a variety of creative projects:

Bowes Primary School	St Mary's Primary School
Cotherstone Primary School	Teesdale Community Resources
Coundon Community Association	Teesdale School (secondary)
Culture Durham	Teesdale Special Flora Trust
Curious Arts	Teesdale YMCA
Drama in the Dale	The Bowes Museum
Durham County Council	The DIY Ceilidh Band
Durham Wildlife Trust	The Witham Arts Centre
Into The Light (Durham Place Partnership Programme)	Unfolding Theatre
Jubilee Fields Community Association (Shildon)	UTASS (Upper Teesdale Agricultural Support Services)
No More Nowt	Wear'd Aliens and Cream Tees (Youth Folk Music groups)
North Pennines National Landscape	Weardale Together
North Pens	Yorkshire Dales National Park Authority
Shildon Town Council	

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TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the Charity's Main Achievements During the Year (Cont.)

Activity Highlights (Projects)

During the year we delivered a total of nine major projects focussing on our charitable objects across three key areas, as well as working to develop the organisation.

Health and Wellbeing

We continued to develop our creative health programme with the Four Clocks social prescribing group which moved location to Bishop Auckland Town Hall. During the year we worked with individuals within the group to establish themselves as an independent group. **'Bishop Busy Hands'** is now a thriving creative group in its own right.

Another regular programme of weekly creative health activities continued until February 2025 in the former pit villages of Evenwood, Cockfield, Woodland and Butterknowle. This **'Take Part in Teesdale'** project was funded through Creative UK and the national Know Your Neighbourhood scheme. Finally a project funded through the local authority's Public Health service worked with young people to explore issues around gender and identity. '

The i:D project' engaged the services of writer Lizzie Lovejoy and photographer Elaine Vizor. The project included siting a pop-up Camera Obscura in the grounds of Teesdale School and visits to the local Grassholme Observatory in Teesdale. A short video documenting this project is available here: [i:D Project](#)

Connected Communities

'Creative Catalyst: Setting the Scene' - In the communities of Coundon and Witton Park – two former pit villages, both 'Category D' (all investment in them ceasing when the pits closed) - we worked closely with the existing village hall/community centre committees to explore local barriers to engagement. Both places are located within the top 10-20% most deprived LSOAs in the national Index of Multiple Deprivation (IMD). The communities face higher than average rates of child poverty and higher than national average percentages identified as long-term unemployed. Both have higher than UK average rates of crime and anti-social behaviour.

Appointed artists Dominic Smith and Ronan Devlin spent weeks with each community, listening, engaging in activities on village walkabouts and meeting people on the street to share views. Particular interest came from a small group of young dads, out with their kids who are keen on developing a live music scene in Coundon. An outcome of the project was a curated art newspaper, delivered to 5,000 households, with images (photos) taken by local residents of unexpected aspects of the local area. As a result, we've been approached by a neighbouring community interested in engaging in similar work. We plan to build on this in 2025/26.

'Pride in Teesdale' - In partnership with TCR, Teesdale YMCA, The Witham Arts Centre and The Bowes Museum we ran 'Pride in Teesdale' – a project focusing on the young queer community in this deeply rural and isolated area. Visibility of LGBTQIA+ is limited; there is a predominantly ageing and traditional demographic and opportunities to engage are limited. A mini Pride festival marked the start of the programme which included exploring mythical creatures with Drag King Lady Kitt, creating poetry with spoken word artist Lizzie Lovejoy and two family ceilidhs with gender-neutral band DIY Ceilidh.

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ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the Charity's Main Achievements During the Year (Cont.)

All activity has been planned in collaboration with young people and plans are in place for more activity and engagement in future.

A video created as part of this project is available here:

<https://www.youtube.com/watch?v=x8wq8TiJJi0>

'Cultivate Commissions' - Working in partnership with No More Nowt we supported 20 artists with a commission/grant to develop their work. The programme culminated in a curated participatory event at Redworth Hall. 205 freelance artists benefited from the programme which also included development days, and professional support throughout. 2,899 audience / participants benefited from attending live events and participating in the artists' activity.

'Place Lab' - Also delivered in partnership with No More Nowt, Place Lab is a flagship project within the local authority's Place Partnership programme Into The Light. Northern Heartlands was contracted to deliver activity in Weardale and Shildon. Working closely with existing community groups in both localities, the project reached over 1000 people. The aim of the programme was, broadly, to use the power of culture and creativity to support communities to make civic change happen locally. It is intended to build on this work in 2025/6.

Landscape & Environment

The 'Budding Botanists' project was a continuation of an environmental project with primary schools which culminated in an exhibition for the general public at The Witham Arts Centre in Barnard Castle. This creative project aimed to engage and inspire primary school children and their families and broaden awareness of the rare flora of Upper Teesdale and the environmental factors and challenges affecting its existence. The project was funded by The Department for Environment and Rural Affairs (DEFRA) through the Farming in Protected Landscapes (FiPL) scheme.

Site visits to Cow Green Reservoir were arranged for students and teachers to explore the landscape and discover more about the Teesdale Assemblage. Artists were engaged to facilitate creative activities on site and afterwards in schools, using photography and sound recording techniques.

- 5 site visits to Cow Green Reservoir were delivered for 4 Teesdale Primary Schools
- 3 artists were engaged to facilitate creative activities
- Over 80 school children took part
- Site visits were accompanied by volunteers from the Teesdale Special Flora Trust including eminent botanist Dr Margaret Bradshaw, who worked with the students to understand the significance of these unique Teesdale flowers
- The project culminated in an exhibition of the students' creative responses, called 'Fabulous Flora!' at The Witham in Barnard Castle. Artwork included photography, sound compositions, cyanotype prints and zines.
- The exhibition featured an interactive opportunity for visitors listen to the sounds of Upper Teesdale and to make their own 'zine' inspired by the flora of upper Teesdale.

"I heard the water in the stream, and it felt like popping popcorn"

"I enjoyed making and listening to sounds in the wildlife"

"I learnt that nature is more amazing than I thought!"

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TRUSTEES' REPORT

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the Charity's Main Achievements During the Year (Cont.)

“Tees Swale: Creatively Connected” - In June 2024 we secured a major contract with the Yorkshire Dales National Park Authority working in partnership with North Pennines National Landscape to deliver ‘Tees-Swale: Creatively Connected’, an arts project funded by The National Heritage Lottery Fund and Arts Council England to respond to the landscape and environmental issues across Teesdale and Swaledale. Five artists were recruited to deliver a programme of creative enquiry amplifying the themes of NPNL’s ‘Tees-Swale: Naturally Connected’ programme – a 5 year, £8m programme focussing on high nature value farming and nature recovery.

- 5 artists have been working across upper Teesdale and Swaledale
- The project is bringing farmers, residents, landowners, ecologists, conservationists together through creative enquiry
- Arts activity is being used to explore often challenging concepts and combining a range of perspectives
- The programme is being evaluated and is evidencing the value of arts and artists in non-arts sectors
- The project will culminate in a dynamic knowledge-sharing event in September 2025

Other Activity

The charity secured an award from The Weston Foundation and was able to take advantage of an 8-month programme of development with the Pilotlight 360 programme. From November 2024, Director Jill Cole, Chairman Graham Young and Senior Manager Katy Milne took part in monthly meetings with 3 business mentors, exploring ways in which we might diversify our income. The sessions also helped us to consider succession planning in light of the Director's planned retirement in March 2026.

Director Jill Cole retained her role as co-chair of the interim Advisory Group for Culture Durham, working with other members to develop an application to the Charity Commission.

We worked with freelance designer Sally Pilkington who developed a refresh of our brand alongside the development of a Communications Strategy.

Financial Review

The outturn for the year is an unrestricted surplus of £17,651 (2024: surplus of £68,413), leaving Unrestricted Funds at 31 March 2025 of £59,151.

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FUTURE PLANS

There is no doubt that the future funding landscape for the charity sector in general, and the arts and culture sector in particular, faces huge uncertainty.

A small reduction in the DCMS budget in 2025 is likely to impact a sector already struggling to survive, whilst recent local elections in County Durham have returned a local authority with a strong Reform majority, whose support for arts and culture is still to be determined.

We have been granted an extension to our current 3-year Arts Council NPO funding agreement (definitely until March 2027, and potentially until March 2028), but no other funding is currently available to replace the unrestricted funds from the Esmée Fairbairn Foundation from April 2026.

Nevertheless, the demand for our work remains as strong as ever and staff are working tirelessly to secure funding from a wide range of sources to ensure Northern Heartlands not only survives but continues to thrive.

The Director has presented Trustees with a range of options for organisational restructure following her retirement in 2026. And in the immediate future we are working steadily towards the development of a new business model which will mean less reliance on external funding sources; we plan to seek more commissioning opportunities and build relationships with businesses and service providers who might benefit from our expertise and experience in creative community engagement methods. This will enable us to diversify income streams and at the same time fulfil our commitment to our charitable objectives.

2025/26 will see a development of the Place Lab programme in Weardale and Shildon. We will build on the work started in the former mining village of Coundon and plan to work with families and the wider community to develop a programme of music-based activity there.

We will also build on the partnerships established through 'Pride in Teesdale' and, in particular, we're keen to further develop the relationships with the two key cultural venues in Barnard Castle – The Bowes Museum and Witham Arts Centre – which have been established through this project this year.

On the health and wellbeing front we will develop work started through the i:D project, exploring issues of identity, gender and sense of belonging, and improving mental health for young people in rural areas.

Finally, we will be focussing in the coming year on organisational development and continued support and opportunities for the many freelance artists who make up the greater part of the workforce in the creative and cultural sector.

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TRUSTEES' REPORT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for managing the business of the charity and may exercise all the powers of the charity unless restricted by the Charities Act or the constitution of the charity.

The Trustees are responsible for the preparation of the financial statements for each financial year which show a true and fair view of the state of affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year.

In preparation of the financial statements the Trustees should follow best practice and:

1. Select suitable accounting policies and apply them.
2. Make judgements and exercises that are reasonable and prudent.
3. Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

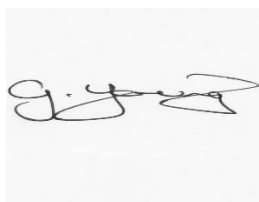
The Trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity.

The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

DECLARATIONS

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005 by the Charities Commission England and Wales).

This report was approved by the Board of Trustees on 8 August 2025 and signed on its behalf by:



Graham Young
Trustee/Chair

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF NORTHERN HEARTLANDS CIO FOR THE YEAR ENDED 31 MARCH 2025

I hereby report to the Trustees/Members of Northern Heartlands CIO (Charity Registration Number 1186728) on the accounts for the year ended 31 March 2025 set out on pages 14 to 24.

Responsibilities and Basis of Report

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

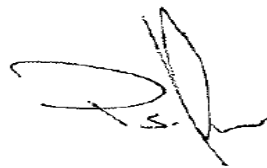
Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act').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

Independent Examiner's Statement

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods or principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

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



**Pete O'Hara, FCA, Chartered Accountant
Fellow of the Institute of Chartered Accountants in England & Wales**

26 La Sagesse, Jesmond, Newcastle upon Tyne NE2 3AF

8 August 2025

NORTHERN HEARTLANDS CIO
(A CHARITABLE INCORPORATED ORGANISATION)
STATEMENT OF FINANCIAL ACTIVITIES
YEAR TO 31 MARCH 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Income					
Income from Investments	3	2,383	-	2,383	543
Income from Grants, Donations & Legacies	4	169,767	136,795	306,562	215,321
Income from Charitable Activities	5	23,838	-	23,838	15,329
Total Income		195,988	136,795	332,783	231,193
Expenditure					
Expenditure on Charitable Activities	6	178,337	160,026	338,363	265,395
Total Expenditure		178,337	160,026	338,363	265,395
Net Income/(Expenditure)	7	17,651	(23,231)	(5,580)	(34,202)
Balance brought forward		41,500	34,075	75,575	109,777
Balance carried forward at 31 March	12	£59,151	£10,844	£69,995	£75,575

The notes on pages 16 to 24 form part of the financial statements.

There are no recognised gains and losses during the year other than as shown above

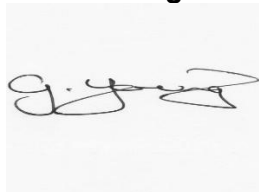
All the activities for the year are continuing activities.

NORTHERN HEARTLANDS CIO
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STATEMENT OF FINANCIAL POSITION/BALANCE SHEET
At 31 MARCH 2025

	Notes	2025 £	2024 £
Fixed Assets			
Tangible Fixed Assets	10	1,180	4,006
Current Assets			
Debtors	11	8,600	15,345
Cash at Bank and In Hand		67,431	59,262
		<u>76,031</u>	<u>74,607</u>
Creditors:			
Amounts Falling Due Within 1 Year	12	(7,216)	(3,038)
Net Current Assets		<u>68,815</u>	<u>71,569</u>
Total Net Assets		<u>£69,995</u>	<u>£75,575</u>
Represented By:			
Unrestricted Funds	13, 14	59,151	41,500
Restricted Funds	13, 14	10,844	34,075
		<u>£69,995</u>	<u>£75,575</u>

The notes on pages 16 to 24 form part of the financial statements.

The financial statements were approved by the Board, and authorised for issue, on 8 August 2025 and signed on its behalf by:



Graham Young
Trustee and Chair

NORTHERN HEARTLANDS CIO
(A CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
At 31 MARCH 2025

1. Accounting Policies

Charity Information

Northern Heartlands CIO is a Charitable Incorporated Organisation. The registered office is 3 Witham Studios, Hall Street, Barnard Castle DL12 8JB.

The charity is a public benefit entity.

Basis of Accounting

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Statement of Recommended Practice (Charities SORP FRS 102) "Accounting and Reporting by Charities" and the Charities Act 2011.

The financial statements have been prepared on the historical cost basis, modified to include certain financial instruments at fair value.

Advantage has been taken of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cashflows.

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

Income

All income, including grant income, is included in the Statement of Financial Activities (SOFA), net of VAT, when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Such income is only deferred when the donor or funder has specified that the grant or donation can only be used in future accounting years or where the donor or funder has imposed conditions which must be met before the charity has unconditional entitlement.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Income from Investments

Interest receivable on fixed interest securities and bank deposits is included on an accruals basis.

Expenditure

All expenditure is accounted for on an accruals basis and is recognised when a liability is incurred.

- Costs of Raising Funds are those costs of seeking potential funders and applying for funding.
- Charitable activities include expenditure associated with the provision of grant funding, research, advocacy and the direct provision of creative learning-related activities. This includes both the direct costs and support costs relating to these activities.

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1. Accounting Policies (Cont.)

Expenditure (Cont.)

- Support or Indirect costs are those costs incurred in support of the charitable objectives. These have been allocated to the resources expended on a consistent basis that fairly reflects the true use of those resources within the organisation, such as allocating staff costs by time spent and other costs by their usage.
- Governance costs are those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Operating Leases

The charity classifies the lease of certain printing equipment as operating leases as the title to the equipment remains with the lessor. Rental charges are charged against income on a straight-line basis over the year of the lease.

Tangible Fixed Assets and Depreciation

Depreciation is provided on the fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

Office & ICT Equipment	– over 5 years
Fixtures & Fittings	– over 5 years

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

Impairment of Fixed Assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Cash and Cash Equivalents

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.

Fund Accounting

The charity has a number of restricted income funds to account for situations in which a funder requires that a grant must be spent on a particular purpose or where funds have been raised for a specific purpose. The aim and use of each restricted fund is set out in Note 13 to the financial statements.

All other funds are considered Unrestricted Funds and are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

NORTHERN HEARTLANDS CIO
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NOTES TO THE ACCOUNTS
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1. Accounting Policies (Cont.)

Taxation

Northern Heartlands CIO is a registered charity and, as such, is not liable to taxation on its income in the current year.

Pensions

Northern Heartlands contributes to a defined contribution pension scheme. Further details can be found in Note 9.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' of FRS102 to all its financial instruments.

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

2. Going Concern

There are no material uncertainties about the charity's ability to continue and the Trustees believe that it is appropriate for the financial statements to be drawn up on a going concern basis.

3. Income from Investments

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Interest on Cash Balances	2,383	-	2,383	543
	£2,383	£-	£2,383	£543

The 2024 total of £543 related wholly to Restricted Funds.

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4. Income from Grants, Donations & Legacies

	Unrestricted Funds £	Restricted Funds £	2025 £	2024 £
Grant Income				
Arts Council England – National Portfolio Organisation	100,000	-	100,000	100,000
Arts Council England – Durham Cultural Partnership	-	-	-	10,000
Creative Lives – Know Your Neighbourhood	-	-	-	10,000
Durham CC - 3 Towns AAP Match	-	-	-	5,000
Durham CC – Cultural Durham Website	-	10,000	10,000	-
Durham CC COMF Dene Valley	-	-	-	(1,000)
Durham CC Cultivate Commissions	-	36,435	36,435	-
Durham CC Culture, Sport & Tourism - Social Prescribing	-	-	-	10,000
Durham CC Place Labs	-	72,720	72,720	-
Esmee Fairbairn Foundation	62,405	-	62,405	59,104
Garfield Weston Foundation	-	-	-	20,000
N Pennines AONB Partnership - Farming In Protected Landscapes	-	-	-	9,345
National Heritage Lottery Fund – Hidden Heritage	-	-	-	(9,158)
Pride In Teesdale	-	7,640	7,640	-
Teesdale AAP Big Arts Project	-	10,000	10,000	-
	162,405	136,795	299,200	213,291
Donations				
Weston Charity Award	6,500	-	6,500	-
General Donations	862	-	862	2,030
	7,362	-	7,362	2,030
	£169,767	£136,795	£306,562	£215,321

Of the 2024 total of £215,321, £180,134 related to Unrestricted Funds and £35,187 to Restricted Funds.

5. Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2025 £	2024 £
Earned Income	23,838	-	23,838	14,993
Other Income	-	-	-	336
	£23,838	£-	£23,838	£15,329

The 2024 total of £15,329 related wholly to Unrestricted Funds.

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6. Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2025 £	2024 £
Direct Costs				
Project Costs	23,779	135,458	159,237	121,668
Marketing, Press & PR Costs	7,914	-	7,914	1,152
Support Costs				
Depreciation	698	2,128	2,826	2,826
Insurance	1,166	-	1,166	948
Other Overhead Costs	5,691	-	5,691	4,569
Premises Costs	6,431	2,449	8,880	9,240
Salaries & On Costs	126,236	19,991	146,227	118,718
Telephone, ICT & Website Costs	3,059	-	3,059	2,911
Governance Costs				
Independent Examination	1,200	-	1,200	1,200
Other Accountancy & Payroll Services	2,163	-	2,163	2,163
	£178,337	£160,026	£338,363	£265,395

Of the 2024 total of £265,395, £127,593 related to Unrestricted Funds and £137,802 to Restricted Funds.

7. Net Income/(Expenditure)

	2025 £	2024 £
Net income/(expenditure) is stated after charging/(crediting):		
Independent Examiner - Examination Fees	1,200	1,200
Independent Examiner - Other Services	1,680	1,680
Depreciation of Owned Fixed Assets	2,826	2,826

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8. Staff Costs

	2025	2024
	£	£
Gross Salary Costs	134,415	110,348
Employer's National Insurance	8,528	5,730
Employer's Pension Contributions	3,284	2,640
	£146,227	£118,718

The average monthly number of staff employed during the year was as follows:	2025	2024
	No.	No.

Artistic Education/Learning Programmes/Management	5	4
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No employees received remuneration in excess of £60,000 in the year (2024: None).

The total paid to key management personnel, defined as the members of the Management Team, was £37,080 (2024: £40,000).

No remuneration was paid to or waived by Trustees/Directors in the year (2024: £Nil).

No expenses were reimbursed to Trustees (2024: £Nil) in respect of their attendance at meetings of the charity.

9. Pension Scheme

Pension benefits are provided through a Group Personal Pension Scheme, which is a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. In the year to 31 March 2025 Northern Heartlands made an employer's contribution of 3% of pensionable pay, provided that the employee makes a minimum contribution of 5%.

These amounts are paid over to the scheme on a monthly basis.

No contributions were outstanding at 31 March 2025 (2024: £Nil).

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At 31 MARCH 2025

10. Tangible Fixed Assets

	Fixtures & Fittings	IT & Office Equipment	Total Fixed Assets
	£	£	£
Cost			
At 1 April 2024	1,715	7,993	9,708
Additions in year	-	-	-
At 31 March 2025	1,715	7,993	9,708
Accumulated Depreciation			
At 1 April 2024	1,111	4,591	5,702
Charge for year	343	2,483	2,826
At 31 March 2025	1,454	7,074	8,528
Net Book Value			
At 31 March 2025	£261	£919	£1,180
At 1 April 2024	£604	£3,402	£4,006

11. Debtors

	2025	2024
	£	£
Trade Debtors	5,600	-
Accrued Income	3,000	15,345
	£8,600	£15,345

12. Creditors - Amounts Falling Due Within One Year

	2025	2024
	£	£
Trade Creditors	2,460	893
Other Creditors	180	65
Accruals	4,576	2,080
	£7,216	£3,038

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13. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Fixed Assets	1,180	-	1,180	4,006
Debtors	5,600	3,000	8,600	15,345
Cash at Bank and In Hand	55,354	12,077	67,431	59,262
Creditors – Due Within 1 Year	(2,983)	(4,233)	(7,216)	(3,038)
	£59,151	£10,844	£69,995	£75,575

14. Analysis of Charitable Funds

	Fund at 1 April 2024	Income for Year	Expenditure for Year	Fund at 31 March 2025
	£	£	£	£
Unrestricted General Fund	41,500	195,988	(178,337)	59,151
Restricted Funds				
Arts Council England – Durham Cultural Partnership	9,494	-	(6,474)	3,020
Arts Council England – Organisational Development	2,128	-	(2,128)	-
Creative Lives – Know Your Neighbourhood	9,773	-	(9,773)	-
Durham CC – Cultural Durham Website	-	10,000	(5,024)	4,976
Durham CC - Cultivate Commissions	-	36,435	(34,526)	1,909
Durham CC Culture, Sport & Tourism - Social Prescribing	3,335	-	(3,335)	-
Durham CC - Place Labs	-	72,720	(72,720)	-
N Pennines AONB Partnership - Farming In Protected Landscapes	9,345	-	(9,345)	-
Pride In Teesdale	-	7,640	(7,640)	-
Teesdale AAP	-	10,000	(9,061)	939
Total Restricted Funds	34,075	136,795	(160,026)	10,844
Total Funds	£75,575	£332,783	£(338,363)	£69,995

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
Arts Council England – Durham Cultural Partnership	To fund participation in the partnership
Arts Council England – Organisational Development	Towards the costs of organisational development, supporting salaries, paying for a freelance fundraiser, and supporting the purchase of new laptops, mobile phone upgrades and a new photocopier

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14. Analysis of Charitable Funds (Cont.)

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
Creative Lives – Know Your Neighbourhood	Towards the costs of Take Part in Teesdale, a project delivering creative activities for people living with anxiety, depression and loneliness in the former pit villages of Evenwood, Cockfield, Butterknowle and Woodland in Teesdale, Co Durham,
Durham CC - Cultivate Commissions	Towards the costs of Cultivate Commissions, a programme designed to accelerate creative growth for artists, creative practitioners and creative micro-businesses living or working across County Durham
Durham CC – Cultural Durham Website	Towards the costs of the development of the 'Into The Light' website for Cultural Durham
Durham CC – Place Labs	Towards the costs of the Place Lab mission to use art and creativity as enablers and innovators to realise place-shaping, collaborating with communities at a hyper-local level across the county to enable more people to fully participate in civil society and shape the future of their place.
Durham CC Culture, Sport & Tourism - Social Prescribing	Towards the costs of continuing creative health sessions with the Four Clocks Group in Bishop Auckland and supporting the group to become an independent entity.
Hidden Heritage - NLHF/Willington TC/DCC AAP Three Towns	To fund a programme of heritage themed creative activities and events with school children, community groups and individuals with wellbeing outcomes; culminating in a large-scale event in 2025 in Willington.
Pride In Teesdale	Towards the costs of engagement in activities that build confidence, understanding and acceptance of LGBTQ+ and increase the number of opportunities for LGBTQ+ in Teesdale

15. Related Party Transactions

Details of transactions with Trustees are disclosed in Note 7.

There were no other transactions in the year with related parties, such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (Effective April 2008). (2024: None)

16. Financial Commitments

No material financial commitments have been made in respect of future financial years.