

GATEWAY STUDIO CIO

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2025

Charity number 1186728

GATEWAY STUDIO CIO

Trustees' Report For the Year Ended 31 March 2025

The Trustees of Gateway Studio CIO are pleased to present their annual report together with the financial statements of the Charity for the year ended 31 March 2025. These financial statements comply with the Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

REFERENCE AND ADMINISTRATION DETAILS Registered Charity Number: 1186728 Registered Office: Trinity Centre, High Street, Gateshead, NE8 1EP

Governing Documents

Gateway Studio CIO was established as a Charitable Incorporated Organisation (CIO) on 4 December 2019, replacing and taking forward the activities of Gateway Studio Community Interest Company. As a CIO it is governed by its constitution and Articles of Association. Structure and Governance / Board of Trustees.

At 31 March 2025 the charity had a board of eleven non-executive Trustees. The Trustees of Gateway Studio CIO during the period and to the date of signing this report were as follows:

Mr Jeffrey Martin Dean (Chair)
Ms Sarah Louise Hogarth
Ms Rebecca Jane Miller
Mr Peter Huggins MBE
Ms Eleanor Farrington
Mr Kema Sikazwe
Mr Edward Lynch MBE
Mr Stephen Derrick
Ms Karen Ann Cruise
Ms Akosua Boakye
Mrs Megan Nichols

Independent Examiner: Jim Dodds, 33 The Glebe, Morpeth. NE61 6HW

STRUCTURE, GOVERNANCE AND MANAGEMENT

Board Meetings: The constitution provides for main board meetings on a quarterly basis, with occasional business conducted by correspondence. An agenda and written board reports are prepared and circulated in advance of each meeting and minutes taken. Meetings are a hybrid of in-person and virtual (Zoom/Teams) meetings, with further contact with and between Trustees and formal delegations to Officers as appropriate from time to time.

Recruitment and Appointment of Board of Trustees: In selecting individuals for appointment, the Trustees aim to ensure that the Board has the skills, knowledge and experience needed for the effective administration of the charity and is as diverse as possible.

Trustee Induction and Training: Trustees are provided with a range of resources to support their understanding of Gateway Studio's activities and outlining Trustee duties and responsibilities.

Specific training and workshops are delivered using external consultants or specialists as appropriate.

Management: Day-to-day operation of the charity is delegated to the Chief Executive Officer and Artistic Director, Martin Hylton, and to the Assistant Director and Head of Education and Community, Debbie Hylton.

CHARITABLE PURPOSE, AIMS & OBJECTIVES

Gateway Studio CIO's charitable objectives are to advance the education of the public in the arts, in particular the art of dance, by the provision of accessible dance education and teaching and ancillary activities, and the presentation of public performances and other similar activities. The wider charitable objects are to:

1. Further or benefit the residents, without distinction, of Gateshead and the surrounding neighbourhood, by providing facilities for and associating together with the said residents and local authorities, voluntary and other organisations, in a common effort to advance education;
2. Provide facilities in the interests of social welfare, including physical and mental well-being and special needs, and for recreation and leisure time occupation with the objective of improving the conditions of life for residents;
3. Preserve, maintain and enhance the Trinity Centre (the Property), its environs and contents for the benefit of the local community and nation at large, and to advance the education of the public regarding the historical, architectural and natural heritage of the Property of the Chapel of St Edmund, adjoining the Property, being buildings of particular historical and architectural interest;

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. Gateway Studio aims to bring professional dance education and practice to Gateshead and its hinterland and provide a centre of arts, heritage and community. It seeks particularly to work with disadvantaged and minority groups in Gateshead's diverse communities but does not limit its creative, educational, and community activities to these groups.

The Trustees believe that the charity therefore meets both the key principles:

- Principle 1 – There must be an identifiable benefit, or benefits Our benefit to the public is that the charity provides community dance classes that support and encourage the development of children, young people and adults, and makes space available for community groups to meet. A heritage programme is being devised to allow the public to visit and learn about the history of the site and will be integral to Gateway's work when the capital project to redevelop the Trinity building is complete.
- Principle 2 – Benefit must be to the public, or a section of the public Opportunities afforded by the charity for the development of associated artists and professional dancers through performance and support represent a specific benefit, although each element of our work is able to provide benefit to the public in general. Gateway will devise means of working with

diverse communities to help them express and share their culture identity whilst becoming part of Gateshead's cultural fabric.

PERFORMANCE, ACHIEVEMENTS AND PROSPECTS: CHAIR'S SUMMARY

Chair's Summary of the Charity's Main Achievements During the 1 April 2024 to 31 March 2025

The year was marked by widespread economic, social and political turbulence, and uncertainty. This included a UK General election in July 2024 resulting in a change of Government and national policies that directly affected Gateway's progress, and on-street confrontations and anti-immigration rioting.

In a year when we saw arts organisations facing closure due to external pressures, Gateway has had to be resilient and strike a balance between being focused on its key objectives, yet be flexible and alert to new opportunities. Many organisations were still struggling to recover in the aftermath of COVID, and a planned review of ACE (and potentially the DCMS itself) meant it was not a good time for them to launch a full-scale review of the funded portfolio.

This denied Gateway Studio the opportunity to apply for NPO funding. Amidst the uncertainty, ACE announced its intention to extend the existing 3-year NPO funding by a year, which was good news for those organisations that were already in receipt of funding, but bad news for those like Gateway that were considering applying in the next funding round. ACE then announced that its next portfolio investment process would not be launched in April 2025 as planned and called on the Government to extend the current National Portfolio until the end of March 2028.

Whilst this cut off a potential longer-term funding stream for Gateway, we already had concerns about the additional administrative burden that NPO might have placed on our limited administrative resources. We need to be mindful of this and keep watch for any developments that might simplify the application and reporting processes if the process is opened up again. We will continue to search for additional and alternative funding sources, whether this materialises through grant or commercially earned income.

On the Trinity capital programme, the incoming Government finally announced the closure of the Community Ownership Fund on 23 December 2024; this would have added a highly significant £600,000 to the Trinity project funds. Coupled with this, we were aware that building costs generally had risen substantially since our project was costed, and our £2.8 million project was likely to come in at over £4million.

Meetings with our grant manager from the National Lottery Heritage Fund had remained positive. Fundraising has been generally difficult and time-consuming but we were assured NHLF would be the 'funder of last resort' and they would take into account the reasonableness of all our actions in trying to raise funding to complete the project. They were aware of our work with the church authorities to reduce Gateway's costs and our re-costing and value-engineering exercises, but the reality was that inflation in building costs had dramatically increased.

NHLF's decision about our application for an uplift was expected from a Committee meeting in mid-January, but our case was postponed until a later date. This unfortunately meant having to defer our planned on-site start date.

In the meantime, Gateway wanted to maintain momentum, and the only way to accurately arrive at a cost figure was to go out to tender for a principal contractor. A detailed tender document was drawn up based on all the design work done to RIBA Stage 4. A preferred contractor has been

**Trustees' Report
For the Year Ended 31 March 2025**

identified with the necessary expertise and the exercise confirmed the accuracy of our re-costing exercise.

It had previously been anticipated that the level of detail and timing of decisions might create delay if the approval of the full board approval was required, and so the main body of work has been undertaken by the CEO and Chair with specialist input from the RNJ design & construction consultancy and the freelance fundraiser.

Trustees agreed Special Resolutions delegating the CEO and Chair the authority to progress the purchase of the Trinity building and use reserves, loans or overdrafts for cash flow purposes if required at short notice. However, the board has retained oversight and ultimate decision-making responsibility.

Despite the difficult funding climate, we are pleased to note the continued development of Gateway's work with schools, diverse communities, partners, and other artists. Gateway's relationships with ACE and other funders and with the local authority have been positive. We remain cautiously confident and optimistic of Gateway's ability to deliver both our day-to-day operations and our ambitions for restoring, re-purposing and re-invigorating the Trinity Centre. We remain a valued consultee for Gateshead Council on its broader arts-led town centre and High Street management and redevelopment plans, and we are contributing to its arts & culture strategy through partnership with local independent artists and the Northumbria and Newcastle Universities on the Council-commissioned Flourish project. We continue to lobby for Gateway and the arts in general through MPs and Councillors; we have had face to face briefings with our MP and the Under-Secretary of State for Services, Small Business and Exports as well as writing to Government Ministers and Opposition members and the newly-elected North East Mayor.

Through these consultations and conversations, Gateway's vision of an 'arts village' is gaining further traction. We have already brought back to life one storey of a long-vacant former Burton's retail store 'Over the Road' on the High Street for use as our temporary decant space during the Trinity redevelopment and will work with the Council (the Landlord) to extend the lease so that we can invest further in the use of the building. Ideally, we would want to open up the shop front to give accessible street-level access to a new space for performance, rehearsals, workshops, exhibitions and general community use.

Anti-immigration protests and riots triggered by misinformation about the tragic murders of 3 children at a dance class in Southport in August 2024 had spread to a number of towns and cities in the UK, including Sunderland and Hartlepool in the North East. This forced Gateway to suspend activities for a short but worrying period until additional security systems were put in place. We are grateful to Esme Fairbairn for covering the costs of the additional security and for funding to support the well-being of employees. Staff and service users were unharmed but one case of verbal racial abuse has had to be reported to the authorities.

We again acknowledge that the diversity of Gateway Studio CIO's board has been one of its strengths, with an approximately 50% female and 50% male split of Trustees, with the same ratio of people with black and white ethnicity. The small management and staff team has also reflected that diversity. Trustees may not have the capacity or ability to attend every meeting or event either in person or by Zoom/Teams, but all meetings have been quorate and Gateway values their input and support in whatever way it is given.

**Trustees' Report
For the Year Ended 31 March 2025**

At the time of writing, it seems that the external climate is unlikely to improve significantly in 2025/26, and we anticipate further pressures on finance, people, and personal energy. In response, we will continue to focus on our core activities and ground our work in our core values.

Overall, the Board is satisfied with the financial position reached in the year and with Gateway's work towards achievement of its Charitable Objectives. We need to remain vigilant in terms of income and expenditure particularly where there is an inter-relationship between capital funding and the human resources cost of delivering the project on top of 'day-to-day' operations. However, from a business and planning perspective, it seems that Gateway Studio can continue to proceed with cautious optimism and in recognition that success will not be measured solely by compliance business plan objectives, but by the quality and significance of what we deliver, and by the relationships we nurture. We will seek out the best value we can give, and receive, from all our activities.

Grateful thanks are extended by the Trustees to all staff, funders, partners, collaborators, consultants and advisers for their contribution to Gateway Studio's successes in 2024/2025. We also extend our best wishes to those in Gateshead's diverse communities who work with us and give our work purpose and meaning.

Jeff Dean
Chair
Gateway Studio CIO

CHIEF EXECUTIVE/ARTISTIC DIRECTOR'S REPORT

1. External factors

The Trinity Capital project has been much of the focus again this year. Whilst waiting for the Arts Council review the NPO round has been extended for another year and not accepting new application. This has meant that Gateway has had to use the year to consolidate whilst seeking funding from other sources once again.

- **Funding Environment**

Trinity Project

Through the assistance of the AHF transformation grant we progressed the project to the RIBA 4 design stage.

Fundraising continued, however the new government's decision to close the Community Ownership Fund meant that our proposed application, which if successful would have addressed the project funding gap, could not be submitted.

At this point we started the process with our NLHF grant manager to submit a grant uplift request for the shortfall of around £500,000.

The RIBA cost review saw the project estimate significantly increase from £2.8 million to over £4 million. In consultation with the project design team a cost re-evaluation process was undertaken, and the estimate was reduced to £3.8 million.

**Trustees' Report
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Discussions continued with our NLHF advisor and an uplift request for £1.8 million was submitted to him to progress through the NLHF grant award process.

Our application to the Catherine Cookson Charitable Trust was successful, securing a further £75,000 towards the project. This brought the total funds awarded to the project to £2,531,900

- **Gateshead**

We have been in regular consultation with Gateshead Council to develop a plan for the High Street, however due to internal council factors the consultation has stalled and very little has moved forward. On a more positive note we have produced a vision for the development of the service yard at the back of the OTR building. This will entail developing the space to be able to accommodate live performances with suitable audience spaces. This is based on the pro bono feasibility study done by Topo Architects

2. Internal Management Context

- **Staffing**

Staffing remains the same with administration, freelance and volunteer staff in place. As we prepare to deliver more programmes of activity we acknowledge that capacity will soon become an issue and we will look to grow the team even further with an additional company manager revenue funding allowing.

- We have now developed our first floor allowing us to have an accessible space called the Shop Front Theatre OTR. This is a very versatile space giving us a range of options for meeting, workshops, and performances.

- **Visibility**

With our branding now above the shop front we have seen a significant increase in footfall and interest. Various community groups and organisations have approached us to hire the space both one off meetings and longer-term hires. The additional interest has also increased our numbers on our youth dance programmes.

- **Working Group**

The working group has come to an end as students moved on to further studies and we struggled to find new members. It is our intention to restart the group at a later date.

Our social media strategy is working much better now and we have a much better engagement with most reels reaching numbers 1000+ It is clear that moving images are much more engaging than static posts and much more in line with dance.

3. Artistic and creative output

It has been a quiet year artistically as we focused on consolidating our current programmes whilst we developed our new space, the Shop Front Theatre.

- **Inner Gods Film**

**Trustees' Report
For the Year Ended 31 March 2025**

Our film is still doing well and has been requested to be screened for the NHS at the QEH and also Durham County Council and Durham St Aidens College. The feedback has been simply amazing and the conversation around Black Mens Mental Health continues.

- OTR Over The Road Studio

We have continued with our usual community programmes and also offered open daily class for professionals. The open classes were well received and as a result have grown our freelance pool of artists which of some now deliver on our community programmes. We have continued to host other dance organisations and had several sharings of performance work.

Due to lack of accessibility to our first floor studio we negotiated with the council to occupy the ground floor of the building. We completed the redesign and fit out of the pawn brokers to become our Shop Front Theatre. We plan to widen our offer to include music and theatre in the coming months.

4. Community and Education Provision

This year has seen a change in our approach to stream line even further our progression routes with more clarity. We continue to work with our partners

- We continue with 100% success rates in supporting students who wish, gain entry to their conservatoire school of choice
- Phoenix Academy performed at Res Tec in Leeds
- Gateway Youth performed at the Gateshead Dance Festival and NHSG Dance Show
- Capua Gate performed to over 270 members at the Heritage Network conference in Newcastle
- We are now exploring moving our education programme to include music and theatre

FINANCIAL REVIEW

The outturn for the period is an unrestricted surplus of £51,242, (2024: £139,077) this gives the charity Unrestricted Reserves of £206,685 (2024: £155,443).

Reserves Policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission.

The Trustees aim to hold a level of Unrestricted Reserves that provides sufficient financial resources to meet the liabilities which would crystallise if Gateway Studio were unable to continue operating. Their current estimate of the amount required for this purpose, equivalent to three month's salaries and operating costs is approximately £59,000.

The charity's total Unrestricted Reserves shown in the Balance Sheet as at 31 March 2025 are £206,685, (2024: £155,443). The charity's free reserves (unrestricted funds not invested in tangible fixed assets) are in deficit by -£67,851, (2024: deficit by -£19,676) The charity intends, through its budgeting, to reach its optimum level of reserves within three years.

This policy will be reviewed by the Trustees on an annual basis as part of the charity's budgeting process.

Investment Policy

The charity has the power under the Memorandum and Articles of Association to make any investment which the Trustees see fit. Given the level of funds generated to date and the early stage of charity's project to acquire the Trinity Centre, it is considered appropriate to keep funds in a form which is immediately accessible.

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.

Gateway Studio has a risk management strategy in place that comprises:

- an annual review of the strategic risks the charity may face via the business plan
- 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 procedures.

The Trustees consider the key risks facing the charity at this time; mitigating actions to be taken as indicated:

- Shortage of resources, both financial and human: further funding opportunities will be explored and grants applied for with support of a professional external fundraiser to establish a more robust organisation that supports current and additional salaried positions in accordance with Gateway's business plan.
- Successful delivery of the delayed capital project: a review of the role of the contracted Project Manager who oversees the capital project will be undertaken before the end of RIBA Stage 4 when his contract is due to expire: funding opportunities will continue to be sought by Gateway's fundraiser, who will be more closely involved in financial planning and reporting on the project: there will be more direct input from Gateway's Chief Executive and Chair into the completion of RIBA Stage 4 to ensure appropriate and time-sensitive decision-making.

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

- Prudent budgets are set for each financial period.
- The charity maintains a low cost-base.
- Changes in the general political and economic climate are monitored so that any adverse factors emanating from these sources can be anticipated and accommodated

TRUSTEES RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENT

The Charity's Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Trustees' Report
For the Year Ended 31 March 2025**

The Charity's Trustees are required to prepare financial statements for each year which give a true and fair view of the state of affairs of the CIO and the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing the financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity. They are also responsible for safeguarding the assets of the Charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Board of Trustees on: 30 January 2026

And signed on its behalf by:

Jeff Dean

Trustee and Chair

A handwritten signature in black ink that reads "Jeff Dean". The signature is written in a cursive, flowing style.

Jeff Dean (Jan 30, 2026 14:42:15 GMT)

GATEWAY STUDIO CIO

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2025

I report on the financial statements of Gateway Studio CIO for the year ended 31 March 2025, which are set out on pages 11 to 21.

Respective responsibilities of trustees and examiner

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

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Association of Charity Independent Examiners.

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

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

Basis of independent examiner's statement

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

Independent examiner's statement

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than if the requirements that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

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

Jim Dodds FCIE
33 The Glebe
Morpeth

Date: 30 January 2026

GATEWAY STUDIO CIO

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Income from:					
Donations and legacies	6	1,000	-	1,000	1,000
Charitable activities					
Grants and contracts	7	92,475	213,039	305,514	413,308
Investments	8	18	-	18	255
Total income		93,493	213,039	306,532	414,563
Expenditure on:					
Raising funds	9	-	10,500	10,500	13,250
Charitable activities					
Operation of the charity	10	140,188	57,095	197,283	222,519
Total expenditure		140,188	67,595	207,783	235,769
Net income/(expenditure)		(46,695)	145,444	98,749	178,794
Transfers between funds		97,937	(97,937)	-	-
Net income/(expenditure) and net movement of funds		51,242	47,507	98,749	178,794
Reconciliation of funds					
Total funds brought forward		155,443	61,447	216,890	38,096
Total funds carried forward		206,685	108,954	315,639	216,890

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 13 to 21 form an integral part of these accounts.

BALANCE SHEET

As at 31 March 2025

	Notes	£	Total 2025 £	£	Total 2024 £
<u>Fixed assets</u>					
Tangible assets	16		274,536		175,119
Total fixed assets			274,536		175,119
<u>Current assets</u>					
Debtors	17	23,898		35,158	
Cash at bank and in hand	18	195,106		160,403	
Total current assets		219,004		195,561	
Creditors: amounts falling due within one year	19	(177,901)		(153,790)	
Net current assets			41,103		41,771
Total assets less current liabilities			315,639		216,890
Total net assets or liabilities			315,639		216,890
<u>Funds of the charity</u>					
Unrestricted income funds			206,685		155,443
Restricted income funds			108,954		61,447
Total funds			315,639		216,890

The notes on pages 13 to 21 form an integral part of these accounts.

These financial statements were approved by the Board on: 30 January 2026

and are signed on its behalf by:

Jeff Dean
Trustee and Chair

Jeff Dean
Jeff Dean (Jan 30, 2026 14:42:15 GMT)

GATEWAY STUDIO CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

1 Accounting Policies

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

2 Basis of accounting

2.1 Basis of preparation

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

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

Gateway Studio CIO meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The charity reported total unrestricted funds at the yearend of £206,685 and has secured funding for the current year. The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

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

3.2 Offsetting

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

3.3 Grants and donations

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

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

3.5 Volunteer help

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

GATEWAY STUDIO CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

3.6 Interest receivable

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

3.7 Fund accounting

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

4 Expenditure and liabilities

4.1 Liability recognition

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

4.2 Charitable activities

Expenditure on charitable activities includes the costs of the provision of dance education and other activities undertaken to further the purposes of the charity and their associated support costs.

4.3 Governance and support costs

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

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

4.4 Irrecoverable VAT

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

4.5 Creditors

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

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

5 Assets

5.1 Tangible fixed assets for use by the charity

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

Assets under construction	0% No depreciation until completion
IT and office equipment	25% Straight line

GATEWAY STUDIO CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
6 Donations and legacies				
Donations	1,000	-	1,000	1,000
	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
7 Charitable activities				
<u>Income from Grants and Donations</u>				
Arts Council England - Elevate	-	-	-	5,000
Arts Council England	-	-	-	98,800
Esmee Fairbairn Foundation	-	38,000	38,000	76,015
Community Ownership Fund	-	-	-	3,600
Garfield Western	-	52,475	52,475	50,000
The Architectural Heritage Fund	-	93,745	93,745	87,880
The Catherine Cookson Charitable Trust	-	9,319	9,319	-
The National Lottery Community Fund	-	19,500	19,500	-
<u>Income from contracts</u>				
Educational Contract	51,934	-	51,934	54,540
Community classes	13,786	-	13,786	5,518
Youth Groups	4,075	-	4,075	4,159
Merchandise Sales	-	-	-	50
<u>Other Income</u>				
Office and Room Rental	15,520	-	15,520	12,450
Gateshead Council	2,160	-	2,160	10,296
Employment allowance	5,000	-	5,000	5,000
	<u>92,475</u>	<u>213,039</u>	<u>305,514</u>	<u>413,308</u>
8 Income from investments				
Interest - deposits	18	-	18	255
	<u>18</u>	<u>-</u>	<u>18</u>	<u>255</u>

Income was £306,532 (2024: £414,563) of which £93,493 was unrestricted or designated (2024: £93,268) and £213,039 was restricted (2024: £321,295).

GATEWAY STUDIO CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
9 Raising funds				
Incurred seeking grants	-	10,500	10,500	13,250
	<u>-</u>	<u>10,500</u>	<u>10,500</u>	<u>13,250</u>
10 Charitable activities				
<u>Direct costs</u>				
Advertising & promotion	178	-	178	688
Salaries & on costs	80,248	-	80,248	61,872
Dance tuition cost	11,865	75	11,940	46,414
Other direct cost	1,074	-	1,074	1,336
<u>Support costs</u>				
Bank charges	469	-	469	240
Depreciation	135	-	135	-
Heat & light/water rates	9,198	6,311	15,509	13,037
HR support	210	-	210	314
Insurance	3,600	-	3,600	3,733
Other overhead cost	2,805	1,899	4,704	3,084
Print, postage & stationery	428	-	428	359
Repairs & maintenance/cleaning	4,110	-	4,110	140
Salaries & on costs	11,625	28,464	40,089	69,627
Security cost	3,179	3,632	6,811	2,609
Communication costs	3,450	1,435	4,885	5,148
Travel & accommodation	5,954	8,645	14,599	7,508
<u>Trinity Capital Development</u>				
Professional fees	-	1,474	1,474	-
<u>Governance costs</u>				
Board expenses and meeting costs	310	-	310	-
Bookkeeping & payroll fees	-	5,160	5,160	5,160
Independent examiner's fees for reporting on the accounts	1,350	-	1,350	1,250
	<u>140,188</u>	<u>57,095</u>	<u>197,283</u>	<u>222,519</u>

Expenditure on charitable activities was £207,783 (2024: £235,769) of which £140,188 was unrestricted or designated (2024: £95,912) and £67,595 was restricted (2024: £139,857).

11 Fees for examination of the accounts

	2025 £	2024 £
Independent examiner's fees for reporting on the accounts	1,350	1,250
	<u>1,350</u>	<u>1,250</u>
There were no other fees paid to the examiner (2024: £nil)		

GATEWAY STUDIO CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

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

	2025 £	2024 £
Salaries and wages	107,919	113,052
Social security costs	10,142	11,101
Pension costs (defined contribution pension plan)	2,355	2,246
	<u>120,416</u>	<u>126,399</u>

No employee received remuneration above £60,000 (2024: one employee received remuneration between £60,000 and £70,000).

The key management personnel of the charity, comprise the Trustees and the Artistic Director (CEO) . The total employee benefits of the key management personnel of the charity were £54,506. (2024: £60,083)

13 Staff numbers

The average monthly head count was 4 staff (2024: 4 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2025 Number	2024 Number
The parts of the charity in which the employee's work		
Charitable activities	3.0	3.0
	<u>3.0</u>	<u>3.0</u>

14 Transactions with trustees

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

Trustees' expenses

No trustee expenses have been incurred in the year.

Transaction(s) with related parties

The following detail the related party transactions in the reporting period.

Name of the trustee or related party	Relationship to charity	Description of the transaction	2025 £	2024 £
Peter Huggins	Trustee	Freelance teacher	1,740	1,980

The charity undertook an arm's length process to ensure they chose the best provider, Peter Huggins was not part of the decision making process.

15 Corporation Taxation

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

GATEWAY STUDIO CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

16 Tangible fixed assets	Assets under construction	IT & office equipment £	Total £
Cost			
Balance brought forward	175,119	2,857	177,976
Additions	97,937	1,615	99,552
Disposals	-	-	-
Balance carried forward	273,056	4,472	277,528
Depreciation			
Basis	SL	SL	
Rate	0%	25%	
Balance brought forward	-	2,857	2,857
Depreciation charge for year	-	135	135
Disposals	-	-	-
Balance carried forward	-	2,992	2,992
Net book value			
Brought forward	175,119	-	175,119
Carried forward	273,056	1,480	274,536

17 Debtors and prepayments (receivable within 1 year)

	2025 £	2024 £
Trade debtors	13,585	24,541
Accrued Income - National Lottery Heritage Fund	10,030	10,030
Prepayments	283	587
	23,898	35,158

18 Cash at bank and in hand

	2025 £	2024 £
Cash at bank and in hand	195,106	160,403
	195,106	160,403

19 Creditors and accruals (payable within 1 year)

	2025 £	2024 £
Trade creditors	13,460	9,834
Taxation and social security	9,646	2,706
Accruals		
Independent examination of accounts	1,350	1,250
Other creditors	239	-
Deferred income	153,206	140,000
	177,901	153,790

GATEWAY STUDIO CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

20 Deferred income

Deferred income comprises of advance payments from grants that relate to future periods

	2025
	£
Balance brought forward	140,000
Amount released to income earned from charitable activities	(52,475)
Amount deferred in year	65,681
Balance carried forward	153,206

21 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £2,355 (2024: £2,246). There was £0 outstanding as at 31 March 2025 (2024: £0).

22 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

23 Analysis of charitable funds

Analysis of movements in unrestricted funds

For the year ended 31 March 2025

	Fund balances brought forward	Incoming resources	Resources expended	Transfers	Fund balances carried forward
	£	£	£	£	£
Unrestricted funds					
General unrestricted fund	155,443	93,493	(140,188)	97,937	206,685
Totals	155,443	93,493	(140,188)	97,937	206,685

For the year ended 31 March 2024

	Fund balances brought forward	Incoming resources	Resources expended	Transfers	Fund balances carried forward
	£	£	£	£	£
Unrestricted funds					
General unrestricted fund	16,366	93,268	(95,912)	141,721	155,443
Totals	16,366	93,268	(95,912)	141,721	155,443

Purpose of unrestricted funds

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

GATEWAY STUDIO CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

23 Analysis of charitable funds continued

Analysis of movement in restricted funds

For the year ended 31 March 2025

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
Arts Council England - Elevate	5,000	-	(5,000)	-	-
Arts Council England	4,524	-	(75)	-	4,449
Esmee Fairbairn Foundation	4,684	38,000	(40,386)	-	2,298
Community Ownership Fund	2,190	-	-	-	2,190
Garfield Western	-	52,475	-	(21,482)	30,993
The Architectural Heritage Fund	34,889	93,745	(11,974)	(67,136)	49,524
The Catherine Cookson Charitable Trust	-	9,319	-	(9,319)	-
The National Lottery Community Fund	-	19,500	-	-	19,500
The National Lottery Heritage Fund Trinity Project	10,160	-	(10,160)	-	-
Totals	61,447	213,039	(67,595)	(97,937)	108,954

For the year ended 31 March 2024

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
Arts Council England - Elevate	-	5,000	-	-	5,000
National Lottery Heritage Fund Trinity Project	21,730	-	(850)	(10,720)	10,160
Arts Council England	-	98,800	(64,276)	(30,000)	4,524
Esmee Fairbairn Foundation	-	76,015	(71,331)	-	4,684
Community Ownership Fund	-	3,600	-	(1,410)	2,190
Garfield Western	-	50,000	-	(50,000)	-
The Architectural Heritage Fund	-	87,880	(3,400)	(49,591)	34,889
Totals	21,730	321,295	(139,857)	(141,721)	61,447

Purpose of restricted funds

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

Arts Council England - Elevate	Funding towards the cost of organisation development.
Arts Council England	Funding for the development of Trinity Church.
Esmee Fairbairn Foundation	To fund the creation and recruitment of new positions within the charity to further its reach, capacity, and scope of its charitable objectives and activities.
Community Ownership Fund	Funding for the development of Trinity Church.

GATEWAY STUDIO CIO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

23 Analysis of charitable funds continued

Purpose of restricted funds continued

Garfield Western	Funding for the development of Trinity Church.
The Architectural Heritage Fund	Funding for the development of Trinity Church.
The Catherine Cookson Charitable Trust	Funding for the development of Trinity Church.
The National Lottery Community Fund	To cover gateway's cost in delivery work with migrant and marginalised communities.
The National Lottery Heritage Fund Trinity Project	Funding from National Lottery Heritage Fund and Arts Council England Emergency Fund towards the development phase of a project to buy and convert the Trinity Centre into a centre of arts, heritage and community.

24 Capital commitments

As at 31 March 2025, the charity had no capital commitments (2024 -£nil).

25 Analysis of net assets between funds 2025

	Unrestricted Funds £	Restricted Funds £	Total 2025 £
Tangible fixed assets	274,536	-	274,536
Current assets	110,050	108,954	219,004
Current liabilities	(177,901)	-	(177,901)
	<u>206,685</u>	<u>108,954</u>	<u>315,639</u>

Analysis of net assets between funds 2024

	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Tangible fixed assets	175,119	-	175,119
Current assets	134,114	61,447	195,561
Current liabilities	(153,790)	-	(153,790)
	<u>155,443</u>	<u>61,447</u>	<u>216,890</u>

26 Guarantee

There have been no guarantees given by the charity at 31 March 2025.

27 Debt

There is no debt outstanding which is owed by the charity and which is secured by an excess charge on any of the assets of the charity at 31 March 2025.

28 Governing document

The organisation is a Charitable Incorporated Organisation - Foundation registered on 04 December 2019 as a body corporate under part 11 of the Charities Act 2011.