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**JUNCTION ARTS LIMITED**  
(a company limited by guarantee)

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**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**JUNCTION ARTS LIMITED**  
**(a company limited by guarantee)**

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**JUNCTION ARTS LIMITED**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2022**

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<b>Trustees</b>	Paul Steele Annie French, Chair Lucie Maycock Adam Barnes, Treasurer Joby Ernest Parsons (appointed 31 January 2022) Marion Thorpe (resigned 3 May 2022) Jack Wood
<b>Company registered number</b>	1802999
<b>Charity registered number</b>	515303
<b>Registered office</b>	West Studios Sheffield Road Chesterfield Derbyshire S41 7LL
<b>Managing director</b>	Paul Steele
<b>Independent examiner</b>	Jonathan Wilson Chartered Accountant 68 West Gate Mansfield Nottinghamshire NG18 1RR
<b>Bankers</b>	NatWest Bank PLC Chesterfield Derbyshire S40 1TJ

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**JUNCTION ARTS LIMITED**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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The trustees present their annual report together with the financial statements of the company for the year from 1 April 2021 to 31 March 2022. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 2 (effective January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Objectives and activities**

**a. Policies and objectives**

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

**Public Benefit**

In shaping our objectives for the year and planning our activities the directors have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The organisation relies on grants and income from fees and charges to cover its operating costs. In setting the level of fees and charges, the directors give careful consideration to the accessibility to participatory arts activity for those on a low income or in disadvantaged circumstances. The geographical area of benefit and aims of the organisation prioritises participatory activity with individuals and communities who are disadvantaged, unrepresented or living in isolated or deprived areas of the East Midlands.

**Vision:**

To create a better future for everyone through the arts.

**Mission Statement:**

Junction Arts helps communities facing social barriers such as poverty, poor health and low aspirations to create a better future through the arts. Our festivals, workshops and events give people the opportunity to be creative, learn new skills and build stronger communities. We are committed to working with communities to co-create magical and memorable arts experiences that empowers people, improves wellbeing and inspires change.

**Aims & Values:**

**Co-creation**

We ensure that work produced is a true collaboration between artists and communities.

**Relevance**

We deliver all of our work in communities and local spaces, becoming embedded in the communities we serve. We deliver projects that are relevant and distinctive to participants, situation and place.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Objectives and activities (continued)**

**Responsive**

We are responsive and listen to the needs of the people and communities we serve.

**Innovation**

We deliver high quality experiences that engage, inspire and push the creative boundaries of participatory arts practice.

**Social Change**

We aim for our programmes and projects to have a long lasting social and personal impact for people and communities.

**Opportunity**

We will increase accessibility and the opportunity for people to experience the arts regardless of their locality or personal situation. We will ensure our work will reach as many people as possible.

**Supporting the arts**

We are passionate about creativity and the impact art can make to our well-being and our social, economic and physical environment. We will continue to work with and support artists of the highest quality in their participatory practice and encourage new audiences to engage with the arts.

**History & Impact**

Junction Arts has worked with the communities of rural, ex-industrial North East Derbyshire for over 40 years. Established in Bolsover District which has very little cultural infrastructure, Junction Arts has provided opportunities for thousands of people to engage in the arts. We operate from a base in Chesterfield and deliver all of our participatory activity in communities with local people.

The areas that we deliver in have some of the highest levels of deprivation in the country, especially in terms of long-term ill health and people over 16 without formal qualifications. Bolsover itself is the most deprived district in the county of Derbyshire. It is ranked high in the active lives survey in terms of areas least engaged in the arts. Given the history of the area, it is not surprising that people who face higher than usual economic, social, health and educational challenges are less likely to be involved in the arts. We believe the arts should be for everyone and evidence shows that communities with culture, creativity and imagination at their heart are stronger and more resilient.

The majority of our delivery is in Bolsover District; however, we also deliver in wider Derbyshire and regionally. Our target communities are similar in terms of rural isolation and low arts infrastructure. We work with people from these communities to develop and express themselves through the arts, we want them to find their creative voice. Many are from underserved groups and have socioeconomic challenges and do not have the same opportunities to engage in the arts as their peers in urban areas.

Our success to date has been rooted in effective partnership working. We understand our role in engaging hard-to-reach communities in the arts and how the arts can be transformative for communities. We also understand how we support the wider arts ecology and through our work collaborate with other placed based agencies such as heritage sites, regional arts centres and health commissioning groups.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Objectives and activities (continued)**

We have chaired the Bolsover Culture & Tourism Partnership for five years and represent the Culture & Tourism sector at the local authority partnership executive Board. Within this role we bring partners together and link opportunities through the LA strategic plan to local delivery, creating opportunities for employment and local skills development. We are seen as a vital local cultural organisation and are regularly asked to advise Bolsover District Council and NE Derbyshire District Council on their public art and events strategies.

We are a local employer and offer opportunities for people to work in the arts offering placements and job opportunities. On average we employ 40 freelance artists a year on a range of projects.

In recent years we have extended our delivery internationally. In 2019 we delivered a project in Santos, Brazil for 15 creative social entrepreneurs who were embarking on setting up their own cultural businesses. We trained and mentored these individuals as part of the British Council DICE programme. We have also been commissioned by the International Community Arts Festival (ICAF) twice to deliver projects sharing our participatory arts methodology (developed over 40 yrs) with international partners.

**Achievements and performance**

**a. Main achievements of the company**

During the last financial year, we have continued to transition back to normal delivery following the challenges of COVID-19. The staff did an excellent job responding and adapting to ensure we continued to deliver a full programme for our communities.

**Artistic Programme**

In 2021/22 our artistic programme was focused around the idea of re-connecting. We delivered a portfolio of projects that included face-to-face and virtual working, to push the creative boundaries of what it means to be fully inclusive and accessible in participatory arts. Under this umbrella we have worked with (but not limited to) the following groups:

**Creatives of Chesterfield and Bolsover**

In 2021 we created a series of "Welcome Back Bolsover" events to encourage the public back into the town in a safe way. We organised a series of community workshops, working with local residents to create unique bunting to line the streets of Bolsover to encourage a feeling of celebration. Our personal highlights include; the Bolsover Dragonfly Sculpture Trail with 20 metal dragonflies installed around the town, unique story walks linking to the dragonfly sculpture trail, and the "Love Bolsover" event including a Love Busk throughout the day and digital projections during the evening.

In September 2021 we concluded the Clay Cross Public Art and Community Consultation Project with a three-day celebration of the new public artwork. The restored ventilation shaft on Market Street became the outdoor screen for a dynamic digital projection that captivated the hundreds of visitors who attended. The 15-minute film was made by Artist Will Lindley and was accompanied by an immersive soundscape. There was also a project exhibition held in Chapel Studios that featured some the community artwork created by local pupils and residents from a local care-home with artist Lucie Maycock.

In December 2021 we partnered with Chesterfield Borough Council to deliver our first Lantern Parade in Chesterfield. With 29 years' experience hosting Bright Winter Nights in Bolsover, Junction Arts created a "spirit lifting" event for a new community, which will only help us to expand our creative practice in the Chesterfield district in the future.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Achievements and performance (continued)**

**The Diverse East Midlands**

We developed a new East Midlands wide project, entitled "Our Place". For this project Junction Arts collaborated with 7 art organisations and 7 communities across the East Midlands to co-create a feature length film to celebrate communities, culture, diversity and their unique talents. This project has been our most accessible project to date including; face-to-face collaboration, digital and the use of VR. The showcase was broadcast online where participants and audience members could communicate via comments sections, and watch with subtitles, sign language or with the use of audio description.

We also celebrated 9 years of Tapton Lock festival. After missing the event in 2020, the festival was back, bigger and better than ever before. We created a diverse line up of creatives from across our region, including Derby City of Making performance of Indian and Ukrainian music and dance, story tellers from Adverse Camber and the Kooky Bee Cart, educating us all about the importance of bees and pollination.

**Health and Wellbeing for Everyone**

Through the immense success of Creswell Gets Creative, a new project was born – Arty Ladies. The group still meet fortnightly, however this project is led by the participants of the group. This is a great example of the impact Junction Arts can have on increasing the confidence of vulnerable communities like the elderly and isolated, to explore and develop creative practices, and to be able to share their skills in a group setting. Arty ladies workshops have included One Stroke Painting, Pergamano and Easter Wreaths.

This Girl Codes returned to face-to-face delivery with a pop-up event involving home educated families at Hardwick Hall. For this event we explored the grounds of Hardwick in unexpected ways with a personal tour of the site. We then delivered a STEAM\* workshop outside with artist Cora Glasser and creative technologist Claire Garside to create cyanotypes, that took inspiration from the history of Hardwick with an element of the modern day.

Following on from the one-day pop-up event, The Curiosity Academy took place in July 2021 and included three days of STEAM activities with people of all ages. Participants had the chance to delve deeper into the history of Hardwick Hall and explore steganography – the practice of concealing messages.

\*STEAM incorporates the arts into STEM – science, technology, engineering and mathematics – encouraging people to innovate and create amazing things.

**Artistic Programme Overview**

In total we worked with 44 artists across 27 projects. We delivered 169 workshops, worked with 3158 participants and reached an audience of 7185. We held two outdoor events this year; the 9th annual Tapton Lock Festival and the first ever Chesterfield Lantern Parade. We also worked with 10 primary schools and 1 secondary school and 20 young people achieved their Discover Arts Award.

The majority of our programme is targeted at communities living in the ex-industrial and rural areas of Bolsover District and wider North Derbyshire, which are similar in terms of levels of rural isolation and low arts infrastructure. Bolsover District has been disproportionately affected and the most challenged area of Derbyshire by COVID-19. Alongside local people we also attracted participants from across the UK and Europe through delivering workshops online.

For a full list of our achievements in 2021/22 please visit: <https://junctionarts.org/>

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Achievements and performance (continued)**

**Equality & Diversity**

We are committed to broadening the diversity of our workforce, participants, audience and governance. Due to the geographical areas we deliver in we have always addressed socioeconomic diversity through our programme and ensured that participation is reflective of the whole community. This has filtered through to our governance with local representation on our Board very important.

We are committed to developing and supporting local artists and opportunities for talent development from protected characteristic groups. We are in the process of developing a programme of artist take-overs from underrepresented groups. We have established a working group to develop more culturally diverse programming. Our vision is to create a better future for EVERYONE through the arts and we will always do our best to create opportunities for the widest range of people possible. Part of our mission is to 'address inequality and inspire change' and our work with communities presents us with a unique opportunity to challenge discrimination. This is something we are committed to further develop through our programme in 2022.

**Financial review**

**a. Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**b. Reserves policy**

The board of directors have examined the charity's requirements for reserves in the light of the main risks to the organisation. The directors aim to maintain free reserves in unrestricted funds at a level, which equates to approximately six months of unrestricted charitable expenditure. The reserves are needed to meet the working capital requirements of the charity in the event of a significant drop in funding or when some of the income generating activities may be curtailed due to circumstances outside their control. Core current reserves at 31 March 2022 were £99,272 (2021 - £89,997).

Free reserves available for use by the charity are deemed to be those that are readily realisable, less funds whose uses are restricted or designated for particular purposes. The calculation thus excludes fixed assets that will continue to be used in the day-to-day running of the charity.

**c. Financial position**

The charity had total incoming resources for the year of £292,635 (2021 - £210,655). Resources expended amounted to £308,000 (2021 - £238,433). There was a net decrease in funds of £15,365 for the year (2021 - net decrease in funds of £27,778).

**Structure, governance and management**

**a. Constitution**

Junction Arts Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 26 March 1984 as amended on 29 September 1994 and on 18 August 2011 and is a registered charity number 515303.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Structure, governance and management (continued)**

**b. Methods of appointment or election of trustees**

The management of the company is the responsibility of the trustees who are elected and co-opted under the terms of the Memorandum of Association.

**c. Organisational structure and decision-making policies**

The directors are responsible for the overall governance of the charity. Directors are elected on the recommendation of fellow directors and through an open recruitment process and the minimum number of directors is 6 with a current maximum of 10. A director is appointed for a term of three years with a maximum period of office of two terms. Directors are not eligible for re-election for a period of eleven months from the date of termination. Directors retire after the end of each term of their appointment and are eligible for re-election for a second term.

An effective partnership working between the directors and staff is a key contributing factor in the ongoing development and success of the charity. In order to ensure that the directors' roles are carried out effectively, each has a folio of interests within the charity, which requires them to have an understanding and a responsibility for specific areas of activity with the work of the charity.

Directors are required to meet a minimum of 4 times per year including the annual general meeting at which the directors review overall strategy, set operating plans and budgets, and review the ongoing operational and investment performance of the charity.

The board delegates the exercise of certain powers and responsibilities relating to the management and administration of the charity as set out below. These powers are controlled by the need for regular reporting back to the main board in order that any decisions made under delegated powers can be ratified by the full board in due course.

**d. Policies adopted for the induction and training of trustees**

All new directors receive an induction pack containing all the relevant information regarding the structure, legalities and operational running of the charity and its work for effective and informed decision making.

Directors' training sessions are held at least once per year for the whole board incorporating strategic reviews; other sessions are arranged as necessary for any other specific purposes.

**e. Managing director**

The managing director is responsible for the day-to-day management of the charity's affairs and for implementing policies agreed by the board of directors.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Structure, governance and management (continued)**

**f. Financial risk management**

The trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Risks are assessed as part of the business planning cycle. The board of directors has undertaken a risk assessment in the following areas:

Ensured all operational aspects of Junction Arts' work comply with charity and company law including:

- Internal financial controls regularly monitored and reviewed
- Annual and bi-annual policy review
- Annual programme review

Ensured appropriate compliance of all work undertaken with all legal requirements in accordance with Junction Arts' policy and procedures including:

- Health and safety
- Safeguarding, equal opportunities and equality

Ensured all appropriate licensing and insurance is held and activities undertaken including:

- Public liability insurance
- Contents insurance relating to the administrative offices

Approved by order of the members of the board of trustees on 24 November 2022 and signed on their behalf by:

**Annie French**  
(Chair of Trustees)

**Adam Barnes**  
(Treasurer)

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**JUNCTION ARTS LIMITED**  
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**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Independent examiner's report to the trustees of Junction Arts Limited ('the company')**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2022.

**Responsibilities and basis of report**

As the trustees of the company (and 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 company 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 the company's accounts 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**

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of (enter body here), which is one of the listed bodies.

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 company 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 and 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 (FRS 102)].

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.

This report is made solely to the company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's trustees as a body, for my work or for this report.

Signed: Jonathan Wilson FCA CTA

Dated: 5 December 2022

Jonathan Wilson

ICAEW

**JUNCTION ARTS LIMITED**  
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	3	5,515	11,406	16,921	39,644
Charitable activities	4	158,813	115,980	274,793	170,929
Other trading activities	5	456	447	903	-
Investments	6	18	-	18	82
<b>Total income</b>		<b>164,802</b>	<b>127,833</b>	<b>292,635</b>	<b>210,655</b>
<b>Expenditure on:</b>					
Raising funds	7	450	-	450	444
Charitable activities	8	154,509	153,041	307,550	237,989
<b>Total expenditure</b>		<b>154,959</b>	<b>153,041</b>	<b>308,000</b>	<b>238,433</b>
<b>Net movement in funds</b>		<b>9,843</b>	<b>(25,208)</b>	<b>(15,365)</b>	<b>(27,778)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		94,045	45,667	139,712	167,490
Net movement in funds		9,843	(25,208)	(15,365)	(27,778)
<b>Total funds carried forward</b>		<b>103,888</b>	<b>20,459</b>	<b>124,347</b>	<b>139,712</b>

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

The notes on pages 12 to 26 form part of these financial statements.

**JUNCTION ARTS LIMITED**  
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**REGISTERED NUMBER: 1802999**

**BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	11	<b>4,616</b>	4,048
<b>Current assets</b>			
Debtors	12	<b>6,385</b>	2,400
Cash at bank and in hand		<b>130,844</b>	164,437
		<u><b>137,229</b></u>	<u>166,837</u>
Creditors: amounts falling due within one year	13	<b>(17,498)</b>	(31,173)
<b>Net current assets</b>		<b>119,731</b>	135,664
<b>Total net assets</b>		<u><b>124,347</b></u>	<u>139,712</u>
<b>Charity funds</b>			
Restricted funds	14	<b>20,459</b>	45,667
Unrestricted funds	14	<b>103,888</b>	94,045
<b>Total funds</b>		<u><b>124,347</b></u>	<u>139,712</u>

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees on 24 November 2022 and signed on their behalf by:

**Annie French**  
(Chair of Trustees)

**Adam Barnes**  
(Treasurer)

The notes on pages 12 to 26 form part of these financial statements.

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**JUNCTION ARTS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Junction Arts Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**1.2 Going concern**

At the date of signing there is a degree of uncertainty about the economic impact of COVID-19. The trustees continue to monitor the position closely however they believe that the company can continue at its current level of activity subject to continued support from Arts Council England and the bank and they therefore continue to adopt the going concern basis.

**1.3 Income**

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**1. Accounting policies (continued)**

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**1.5 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

**1.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**1.7 Tangible fixed assets and depreciation**

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Fixtures and fittings	- 33.33% straight line or 15% reducing balance
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**1. Accounting policies (continued)**

**1.8 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.10 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

**1.11 Financial instruments**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.12 Operating leases**

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into prior to the date of transition of the standard to continue to be charged over the period to the first market rent review rather than the term of the lease.

**1.13 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.



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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. Accounting policies (continued)**

**1.14 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**2. General information**

Junction Arts Limited is a private company limited by guarantee and incorporated in England, registration number 1802999. Its registered office is West Studios Sheffield Road, Chesterfield, Derbyshire, S41 7LL.

**3. Income from donations and voluntary grants**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Donations</b>				
Trusts, foundations and charities	140	3,510	<b>3,650</b>	21,389
Donation - business	2,060	6,059	<b>8,119</b>	3,481
Donation - individuals	2,285	837	<b>3,122</b>	4,292
Donations - public body	300	1,000	<b>1,300</b>	500
<b>Gift Aid and sponsorship</b>				
Gift Aid	730	-	<b>730</b>	573
<b>Government grants</b>				
Chesterfield Borough Council	-	-	-	7,500
JRS Scheme	-	-	-	1,909
	<u>5,515</u>	<u>11,406</u>	<u><b>16,921</b></u>	<u>39,644</u>
Total 2021	<u>34,432</u>	<u>5,212</u>	<u>39,644</u>	

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**4. Income from charitable activities**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
General Funds	158,813	-	<b>158,813</b>	133,631
First Art	-	-	-	2,060
Other Projects	-	114,677	<b>114,677</b>	35,238
Creswell Gets Creative	-	1,098	<b>1,098</b>	-
This Girl Codes	-	205	<b>205</b>	-
<b>Total 2022</b>	<u>158,813</u>	<u>115,980</u>	<u><b>274,793</b></u>	<u>170,929</u>
Total 2021	<u>133,631</u>	<u>37,298</u>	<u>170,929</u>	

Arts Council England - £102,431 - (2021 - £102,431)  
District of Bolsover - £16,000 - (2021 - £16,000)  
Derbyshire County Council - £15,200 - (2021 - £15,200)  
Arts Council England - Cultural Recovery Fund £25,000 - (2021 - £nil)  
Foundation Derbyshire - £1,810 - (2021 - £nil)

**5. Income from other trading activities**

**Income from fundraising events**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fundraising	456	447	<b>903</b>	-
Total 2021	<u>-</u>	<u>-</u>	<u>-</u>	

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**6. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	Total funds 2021 £
Bank interest	18	<b>18</b>	82
	<hr/>	<hr/>	<hr/>
Total 2021	82	82	
	<hr/>	<hr/>	

**7. Expenditure on raising funds**

**Fundraising trading expenses**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	Total funds 2021 £
Fundraising costs	450	<b>450</b>	444
	<hr/>	<hr/>	<hr/>
Total 2021	444	444	
	<hr/>	<hr/>	

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**8. Analysis of expenditure by activities**

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
General Funds	118,545	35,964	<b>154,509</b>	165,518
First Art	-	-	-	2,060
Other Projects	88,991	32,002	<b>120,993</b>	44,060
Creswell Gets Creative	3,485	1,286	<b>4,771</b>	2,365
This Girl Codes	19,729	7,548	<b>27,277</b>	23,986
	<u>230,750</u>	<u>76,800</u>	<u><b>307,550</b></u>	<u>237,989</u>
Total 2021	<u>159,821</u>	<u>78,168</u>	<u>237,989</u>	

**Analysis of direct costs**

	Total funds 2022 £	Total funds 2021 £
Staff costs	<b>115,074</b>	112,074
Artists' fees	<b>90,858</b>	37,253
Project publicity	<b>502</b>	360
Other project expenses	<b>24,316</b>	10,134
	<u><b>230,750</b></u>	<u>159,821</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Staff costs	<b>41,005</b>	46,723
Depreciation	<b>2,264</b>	1,635
Premises costs	<b>11,342</b>	12,556
Motor and travel expenses	<b>194</b>	67
Professional fees	<b>8,975</b>	9,200
Sundry office costs	<b>8,925</b>	4,904
Publicity and printing	<b>1,204</b>	1,620
Staff training	<b>952</b>	-
Trustees' meetings and expenses reimbursed	<b>439</b>	53
Independent examiner's fees	<b>1,500</b>	1,410
	<hr/> <b>76,800</b> <hr/>	<hr/> 78,168 <hr/>

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**9. Staff costs**

	<b>2022</b> £	2021 £
Wages and salaries	<b>144,290</b>	146,320
Social security costs	<b>8,583</b>	8,909
Contribution to defined contribution pension schemes	<b>3,206</b>	3,568
	<u><b>156,079</b></u>	<u>158,797</u>

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

	<b>2022</b> No.	2021 No.
Projects	<u><b>6</b></u>	<u>7</u>

No employee received remuneration amounting to more than £60,000 in either year.

Details of remuneration for key management personnel are disclosed in note 10 to the financial statements. There were also additional costs of £4,472 (2021 - £4,467) for employer's national insurance.

**10. Trustees' remuneration and expenses**

		<b>2022</b> £	2021 £
Paul Steele	Remuneration	<b>41,208</b>	41,208
	Pension contributions paid	<b>1,049</b>	1,049

One trustee received remuneration in his capacity as managing director. The legal authority for this remuneration is given in part 2, point 19 of the articles of association as amended on 18 August 2011.

During the year ended 31 March 2022, no trustee expenses have been incurred (2021 - £NIL).

During the year, no trustees received any benefits in kind (2021 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**11. Tangible fixed assets**

	Fixtures and fittings £
<b>Cost or valuation</b>	
At 1 April 2021	33,211
Additions	2,832
At 31 March 2022	<u>36,043</u>
<b>Depreciation</b>	
At 1 April 2021	29,163
Charge for the year	2,264
At 31 March 2022	<u>31,427</u>
<b>Net book value</b>	
At 31 March 2022	<u><u>4,616</u></u>
At 31 March 2021	<u><u>4,048</u></u>

**12. Debtors**

	2022 £	2021 £
Trade debtors	-	2,400
Prepayments and accrued income	6,385	-
	<u><u>6,385</u></u>	<u><u>2,400</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**13. Creditors: Amounts falling due within one year**

	<b>2022</b>	2021
	<b>£</b>	£
Trade creditors	<b>2,893</b>	3,610
Other taxation and social security	<b>2,933</b>	3,067
Other creditors	<b>2,463</b>	782
Accruals and deferred income	<b>9,209</b>	23,714
	<hr/> <b>17,498</b> <hr/>	<hr/> 31,173 <hr/>
	<b>2022</b>	2021
	<b>£</b>	£
Deferred income at 1 April 2021	<b>21,300</b>	-
Resources deferred during the year	<b>6,450</b>	21,300
Amounts released from previous periods	<b>(21,300)</b>	-
	<hr/> <b>6,450</b> <hr/>	<hr/> 21,300 <hr/>



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**14. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>				
General Funds	94,045	164,802	(154,959)	103,888
<b>Restricted funds</b>				
Other projects	12,088	126,530	(120,994)	17,624
Creswell Gets Creative	3,673	1,098	(4,771)	-
This Girl Codes	29,906	205	(27,276)	2,835
	45,667	127,833	(153,041)	20,459
<b>Total of funds</b>	139,712	292,635	(308,000)	124,347

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**NOTES TO THE FINANCIAL STATEMENTS  
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**14. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>				
General Funds	91,862	168,145	(165,962)	94,045
<b>Restricted funds</b>				
First Art	-	2,060	(2,060)	-
Other projects	15,697	40,450	(44,059)	12,088
Creswell Gets Creative	6,039	-	(2,366)	3,673
This Girl Codes	53,892	-	(23,986)	29,906
	75,628	42,510	(72,471)	45,667
<b>Total of funds</b>	167,490	210,655	(238,433)	139,712

**General Funds:**

These funds are available for use at the discretion of the directors in furtherance of the general objects of the charity.

**Restricted Funds:**

These funds enable the charity to provide its on-going role as the arts development and regeneration organisation for the district of Bolsover. This includes the provision of advice, support and partnerships in new initiatives and developments with partner agencies and groups in the statutory, voluntary and community sector.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**15. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	4,616	-	4,616
Current assets	109,001	28,228	137,229
Creditors due within one year	(9,729)	(7,769)	(17,498)
<b>Total</b>	<b>103,888</b>	<b>20,459</b>	<b>124,347</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	4,048	-	4,048
Current assets	117,597	49,240	166,837
Creditors due within one year	(27,600)	(3,573)	(31,173)
<b>Total</b>	<b>94,045</b>	<b>45,667</b>	<b>139,712</b>

**16. Pension commitments**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £3,206 (2021 - £3,568). Contributions totalling £nil (2021 - £782) were payable to the fund at the balance sheet date and are included in creditors.

**17. Operating lease commitments**

At 31 March 2022 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Later than 1 year and not later than 5 years	<b>1,353</b>	2,255

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**18. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

**19. Related party transactions**

There are no further related parties transactions to disclose apart from the details in note 10.