

# TEES VALLEY ARTS

England & Wales · Charity number 515369

## Details

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Other names	CLEVELAND ARTS
Status	Registered
Legal form	Charitable company
Company number	01656560
Registered	1984-08-22
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	The Palace Hub 28-29 Esplanade Redcar TS10 3AE
Phone	01642264651
Email	<a href="mailto:info@teesvalleyarts.org.uk">info@teesvalleyarts.org.uk</a>
Website	<a href="http://www.teesvalleyarts.org.uk">www.teesvalleyarts.org.uk</a>

## Activities

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**Objects:** TO PROMOTE, DEVELOP, PROVIDE AND MAINTAIN ACCESS TO, AND ENGAGEMENT IN, ARTS AND CULTURE, FOR THE PUBLIC BENEFIT AND EDUCATION OF PEOPLE IN THE TEES VALLEY, PARTICULARLY THOSE WITH FEWEST OPPORTUNITIES TO PARTICIPATE IN, AND MAKE PROGRESS THROUGH, SUCH ENGAGEMENT.

**Activities:** Tees Valley Arts is a charity that uses the arts to create social change. We believe that arts & culture create societies and offer challenges to the status quo. Communities have a right to tell their stories which reflect their past and will shape their future. We will act as a catalyst for all communities to become cultural producers, galvanising creative action and championing positive change.

## Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, The General Public/mankind

## Geography

- **Area of benefit:** REDCAR AND CLEVELAND, MIDDLESBROUGH, HARTLEPOOL AND STOCKTON-ON-TEES
- Darlington
- Hartlepool
- Middlesbrough
- Redcar And Cleveland
- Stockton-on-tees

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£162,221	£135,358	-	-
2024-03-31	£200,226	£176,038	-	-
2023-03-31	£123,188	£179,168	-	-
2022-03-31	£235,618	£259,353	-	-
2021-03-31	£245,366	£203,531	-	-

## Trustees

Name	Role	Appointed
Carmen Ellen Thompson		2026-02-25
Edward John Thompson		2026-04-08
Errol Alexander Theunissen		2026-02-25
Kevin Kenneth Howard		2026-02-25
Margaret Walters		2016-06-08

**TEES VALLEY ARTS**

England & Wales - Charity number 515369

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# Accounts

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**TEES VALLEY ARTS**  
**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31ST MARCH 2025**

Charity Number : 515369

Company Number : 1656560

## TEES VALLEY ARTS

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## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

The Trustees present their report and the audited financial statements of the charity for the year ended 31<sup>st</sup> March 2025. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

#### **Reference and administrative information**

Charity name:

Tees Valley Arts

Charity registration number: 515369

Company registration number: 1656560

Registered office and operational address: The Palace Hub  
28-29 Esplanade  
Redcar  
TS10 3AE

#### **Directors and Trustees**

Under Article 28 of the Articles of Association, the Directors, who are charity trustees as defined by section 177 of the Charities Act 2011, shall number no less than 8 and not be subject to a maximum.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

#### **Directors and Trustees**

The Directors who served during the year and up to the date of approval of the accounts were:

Mr M McNulty  
Mr G Flanagan  
Mrs M Walters (Chair)  
Professor N Vall  
Lizzie Lovejoy

#### **Executive Director**

James Beighton

#### **Independent Examiner**

Mr J Gresham FCCA  
Gresham and Gale  
14 Fountain Street  
Guisborough  
TS14 6PP

#### **Bankers**

HSBC plc  
60 Albert Road  
Middlesbrough  
TS1 1RS

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

#### **Structure, governance and management, and governing document:**

**Tees Valley Arts** is a company limited by guarantee, incorporated on 5<sup>th</sup> August 1982, and a registered charity governed by its memorandum and articles of association as amended by special resolution(s) dated 03 May 1984 as amended by special resolution(s) dated 5<sup>th</sup> June 1984 as amended by certificate of incorporation on change of name dated 11<sup>th</sup> July 1984 as amended by special resolution(s) dated 2<sup>nd</sup> December 1987 as amended by special resolution(s) dated 18<sup>th</sup> March 1996 as amended by special resolution(s) dated 4<sup>th</sup> December 2000 as amended by certificate of incorporation on change of name dated 5<sup>th</sup> September 2003 as amended by special resolution(s) dated 5<sup>th</sup> September 2011 as amended by special resolution(s) dated 6<sup>th</sup> March 2013 as amended by special resolution(s) dated 2<sup>nd</sup> March 2016 as amended by special resolution(s) dated 7<sup>th</sup> September 2016 as amended by special resolution(s) dated 7<sup>th</sup> January 2017.

In the event of the company being wound up, each of the members has pledged to contribute an amount not exceeding £1.

The Memorandum and Articles of Association of the charity state its principal objects to be “to promote, develop, provide and maintain access to, and engagement in, arts and culture, for the public benefit and education of people in the Tees Valley, particularly those with fewest opportunities to participate in, and to make progress through, such engagement.”

#### **Mission statement:**

**Tees Valley Arts** is a charity that uses the arts to create social change.

We believe that arts and culture create societies and offer challenges to the status quo. Communities have a right to tell their stories which reflect their past and will shape their future. Tees Valley Arts will act as a catalyst for all communities to become cultural producers, galvanising creative action and championing positive change.

Working with partners, we will lead in the cultural sector regionally and advocate for our region’s culture in national and international arenas.

#### **Recruitment and appointment of the Directors:**

The charity’s policy for recruitment of Directors is outlined elsewhere in this document.

#### **Director induction and training:**

All new Directors complete an induction and are issued with a role profile clearly setting out their legal responsibilities and what is expected of them. Directors are encouraged to attend at least one project event during the year as well as participate in a strategic away-day.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

#### **Risk management:**

The charity's strategic plan outlines the policies, strategies, aims and objectives of the organisation over a 3-year period while fully taking into account external threats and opportunities. An annual business plan is approved by the Board.

Internal risks are minimised by the implementation of a policy framework and procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. The policy and procedures are periodically reviewed to ensure that they meet our regulatory and business needs. Board and staff sub-committees are set up to ensure regular periodic review of specific issues such as policy updating, presentation of statistics and financial reporting.

#### **Organisational Structure:**

A board of Directors of at least 3 members (recommended 5-6), who meet quarterly, oversees the charity.

An Executive Director is appointed by the Directors to manage the day-to-day operations of the charity. Additionally, core team roles include two Assistant Curators and a Financial Administrator.

#### **Objectives and Activities:**

Tees Valley Arts is a charity that uses the arts to create social change based in Middlesbrough in the North East of England, working across the five boroughs of the Tees Valley (Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland, Stockton) and elsewhere. Tees Valley Arts champions co-production of high quality, stimulating creative activities as a tool for enhancing learning and life for individuals and communities.

The Memorandum and Articles of Association of the charity state its principal objects to be "to promote, develop, provide and maintain access to, and engagement in, arts and culture, for the public benefit and education of people in the Tees Valley, particularly those with fewest opportunities to participate in, and to make progress through, such engagement."

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

#### **Particular successes in 2024/25**

2024/25 constituted Tees Valley Art's second full year as a member of the Arts Council National Portfolio Scheme (NPO). This award, made to organisations who most closely support the Arts Council's strategic vision for the arts in this country, has provided us with both recognition for the work that we have been doing, especially since moving to Redcar in 2020, and crucially a period of secure funding for three years, which at the time of writing has been extended for a further at least 12 months on top of the original three years. This support comes on top of a sum from Redcar Council supporting the organisation in delivering its programme of activities at the Redcar Palace base. As a result of this we are able to enter the new financial year in a secure position. We are carrying forward almost £30,000 which represents our free reserves with an additional

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

£120,000 of funding already secured for the year 2025/26. This is against a predicted annual operating cost for the new financial year of £132,000 giving a very realistic in year fundraising target which we are confident of meeting. Whilst our formal policy is to maintain no more than £125,000 in reserves we generally aim for no more than the equivalent of three months core operating costs to be held as free reserves which currently amounts to £33,000. This is in response to conditions imposed by a number of trusts and foundations who state that they are not interested in funding organisations that are holding onto larger sums in free reserves.

The year saw a number of highlights, in particular we started the year with our first touring exhibition developed in collaboration with Birmingham School of Jewellery which tackled the subject of knife crime. The exhibition was delivered in association with the Chris Cave Foundation which was set up in memory of a local victim of knife crime. The backdrop of the exhibition was used by the prospective Police Crime Commissioners to film an election pitch for ITV bringing significant regional attention to both the exhibition and the issues it explored. The exhibition following this marked a noted change of tone, exploring the theme of cats and their relationship with their humans. Featuring a combination of invited artists and an open call (where anyone who had a relevant picture, and who could get it here, we guaranteed a place) has proved to be one of our most popular to date and the format enabled established and internationally exhibiting artists to be shown alongside work by local artists and groups, including the Teesside Boys Brigade. In total almost 130 artists exhibited from the ages of 4 upwards.

Two solo exhibitions took us through the summer and autumn period. The first of these was with Northumberland based Britney Fraser and marked the close of our year long community based programme of rag rugging activities. Britney is a recent graduate from Newcastle University and uses traditional rag rugging techniques to celebrate and preserve aspects of Northern dialect, through the designs that she hooks into the rugs. Our second exhibition was with North Yorkshire based artist Aphra O'Connor who created an immersive installation of ceramic sculptures, paintings and drawings exploring the theme of neurodivergence and creativity. For many visitors, encountering this style of work for the first time, it proved to be a deeply moving experience and opened up important and timely conversations around neuro-divergence at a time when significant levels of misinformation and misunderstanding are circulating. The final exhibition of the year represented arguably one of our proudest moments as it was the final project for our Assistant Curator, Beth Smith in her Curating MA at Teesside University and for which she was awarded a distinction. It acted as a testament to the dedication and insight of Beth as well as a validation of our approach to recruiting to roles in our organisation which seeks to recognise and develop the talent on our doorstep.

Three communities have remained constant collaborators of Tees Valley Arts over the course of the year. These are Blooming Youth Collective, our group aimed at young people aged between 16-24, who continue to meet weekly and have increasingly informed our artistic programme. Most notably members of the group came together with the team at Tees Valley Arts and were successful in developing a bid to Historic England's *History in the Making* scheme which will explore the histories of queer culture in Redcar, and was featured in our final exhibition of the year. Our women's crafting group WhichCraft? Ladies have grown so much over the course of the year, collaborating with us on our exhibition programme and continuing to inform our public programme. Currently around 25-30 ladies meet every week in the gallery to make together and support one another. A third group which has developed greatly over the course of the previous year is our Thursday evening life drawing session which sees around 15 people each week of all abilities come together for tutored drawing and represents a rare opportunity for this form of creativity within our region. The outcomes from this group continue to be featured in our exhibition programmes with some exciting prospects for this in the coming financial year.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

#### **Tees Valley Arts' Partners and Freelance Artists**

Partnerships at all levels remain hugely important for Tees Valley Arts and allow us to create and deliver all of the work that we do.

Tees Valley Arts works with a wide variety of freelance arts practitioners, and we thank them for their invaluable contributions.

#### **Governance**

Tees Valley Arts' Board contains representatives of different sectoral interests and professions. Thanks are due to trustees for their time, interest and support.

Directors in 2024/25 were: Mike McNulty, Ged Flanagan, Lizzie Lovejoy, Margaret Walters (Chair) and Natasha Vall.

#### **Fundraising**

Tees Valley Arts maintains its great offer to the Tees Valley through continuous fundraising, grant applications and submission of tenders.

#### **Reserves policy**

It is the policy of the charity that, in order to maximise the amount of funding available for arts activities, that unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should not exceed £125,000. At 31<sup>st</sup> March 2025 the level of free reserves was £29,382.

This policy will be regularly reviewed by the Directors in the light of prevailing financial circumstances.

#### **Investment policy**

The charity invests its surplus funds according to its anticipated short- and medium-term needs. At present bank deposit accounts are considered to be the most suitable medium. The Directors will continue to review this policy.

#### **Responsibilities of the Directors**

The Directors (who are also charity trustees of Tees Valley Arts as defined by section 177 of the Charities Act 2011) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Directors on  
and authorised to sign on their behalf



M Walters

Chair of the Board of Directors

## INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF TEES VALLEY ARTS

I report on the accounts of the company for the year ended 31<sup>st</sup> March 2025 which are set out on pages 9 to 19.

### Respective responsibilities of directors and examiner

The Directors (who are also charity trustees of Tees Valley Arts as defined by section 177 of the Charities Act 2011) are responsible for the preparation of the accounts. The Directors consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

### Basis of independent examiner's report

My examination was carried out in accordance with the 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 you as Directors 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 matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



14 Fountain Street  
Guisborough  
TS14 6PP

Mr J Gresham FCCA  
Gresham and Gale  
Accountants

**TEES VALLEY ARTS**  
**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR**  
**ENDED 31<sup>ST</sup> MARCH 2025**

	NOTE	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
<b>INCOME</b>					
Donations and grants for core funding	2	-	-	-	-
<b>Income from charitable activities</b>					
Grants and contracts for promotion of arts activities in the area	3	153,721	8,500	162,221	200,226
Investment income - bank interest		-	-	-	-
		_____	_____	_____	_____
<b>Total Incoming Resources</b>		153,721	8,500	162,221	200,226
		_____	_____	_____	_____
<b>EXPENDITURE</b>					
Expenditure on charitable activities					
Costs of arts promotion etc	4	122,147	7,980	130,127	168,403
Governance costs	4	5,231	-	5,231	7,635
		_____	_____	_____	_____
<b>Total expenditure</b>	4	127,378	7,980	135,358	176,038
		_____	_____	_____	_____
<b>Net income/(expenditure)</b>		26,343	520	26,863	24,188
Transfers between funds		-	-	-	-
		_____	_____	_____	_____
Net movement in funds for the year		26,343	520	26,863	24,188
Total funds brought forward		3,039	6,000	9,039	(15,149)
		_____	_____	_____	_____
<b>Total funds carried forward</b>	11	29,382	6,520	35,902	9,039
		_____	_____	_____	_____

The notes on pages 12 to 20 form part of these accounts.

**TEES VALLEY ARTS**  
(Limited by Guarantee, not having a share capital)

**BALANCE SHEET**  
**AS AT 31<sup>ST</sup> MARCH 2025**

	NOTE	2025		2024	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		2,225		2,666
<b>CURRENT ASSETS</b>					
Debtors	8	56,862		6,862	
Cash at bank and in hand		41,872		40,733	
		98,734		47,595	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
	9	(10,675)		(11,861)	
<b>NET CURRENT ASSETS/NET ASSETS</b>					
			90,284		38,400
<b>CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR</b>					
	9		(54,382)		(29,361)
<b>NET ASSETS</b>					
			35,902		9,039
<b>FUNDS</b>					
Unrestricted	11		29,382		3,039
Restricted	11		6,520		6,000
			35,902		9,039

For the year ending 31<sup>st</sup> March 2025 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.



M Walters  
DIRECTOR AND TRUSTEE

Approved by the Board on 29<sup>th</sup> January 2026 and signed on its behalf by the above.

The notes on pages 12 to 20 form part of these accounts.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

**1. ACCOUNTING POLICIES**

**(a) General information and basis of preparation**

Tees Valley Arts is a company limited by guarantee and registered in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are to promote, maintain and encourage for the education of the public, the development of the whole range of arts activity in the area currently known as the Tees Valley and its environs including drama, dance, music, opera, ballet, visual arts, photography, exhibitions, crafts, films, literature and community arts, for all members of the local community, without regard to disability, ethnic background, sexuality, age, gender, ability or religious or other belief.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2016 and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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

The charity adopted SORP (FRS 102) in the current year but this has not affected the financial position or performance.

**(b) Funds**

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost 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.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

**1. ACCOUNTING POLICIES**

**(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding cash in a deposit account and is recognised when it is earned.

**(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. All direct costs relate to the charity's charitable activities.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

**1. ACCOUNTING POLICIES**

**(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 3.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**(f) Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures and fittings	25% reducing balance.
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**(g) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(h) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

**1. ACCOUNTING POLICIES**

**(i) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**(j) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**(k) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

**2. DONATIONS AND GRANTS FOR CORE FUNDING**

	<b>Total 2025</b>	<b>Total 2024</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted</b>	-	-
	-	-

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Received in the year</b>				
Arts Council England	100,000	-	100,000	100,000
Middlesbrough Council	6,215	-	6,215	2,964
Tees Valley Combined Authority	-	-	-	-
Festival of Thrift	1,630	-	1,630	375
Teesside University – Borderlands	2,673	-	2,673	50,000
National Centre for Creative Health (NCCH)	3,000	-	3,000	2,000
Woodsmith Foundation	-	-	-	310
Saltburn Foodbank	-	-	-	120
Redcar Borough Council	31,000	-	31,000	30,450
Other grants, donations, fees and commissions	9,203	-	9,203	8,007
Historic England (Redcar Peeps)	-	8,500	8,500	6,000
	153,721	8,500	162,221	200,226
	153,721	8,500	162,221	200,226

Of total income of £162,221 in 2025 (2024: £200,226), £8,500 (2024: £56,120) was credited to restricted funds and £153,721 (2024: £144,106) was credited to unrestricted funds.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

**4. TOTAL RESOURCES EXPENDED**

	<b>Basis of Allocation</b>	<b>Charitable Activities</b>	<b>Governance Costs</b>	<b>Total 2025</b>	<b>Total 2024</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Costs directly allocated to activities</b>					
Staff costs	Direct	31,771	-	31,771	41,944
Project costs	Direct	23,580	-	23,580	28,116
Independent Examiner	Direct	-	1,295	1,295	2,460
Other accountancy costs	Direct	-	-	-	-
<b>Support costs allocated to activities</b>					
Staff costs	Usage	65,240	3,434	68,674	90,665
General office costs	Usage	4,742	250	4,992	9,294
Premises costs	Usage	4,794	252	5,046	3,559
		130,127	5,231	135,358	176,038

Of the £135,358 of expenditure in 2025 (2024: £176,038) £7,980 was charged to restricted funds (2024: £85,238) and £127,378 was charged to unrestricted funds (2024: £90,800).

Total resources expended include:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Independent Examiner's fee	1,295	2,460

**5. DIRECTORS' REMUNERATION**

The Directors neither received nor waived any emoluments during the year relating to their role as Directors. (2024: £NIL). No out of pocket expenses were reimbursed to any of the Directors.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

6. STAFF COSTS	2025	2024
	£	£
Wages and salaries	95,529	126,531
Social security costs	2,027	2,945
Pension costs	3,129	3,360
Other staff costs	(240)	(227)
	100,445	132,609
	<hr/>	<hr/>

No employee earned more than £60,000 in the year (2024: NIL)

The average number of employees was:

	2025	2024
Chief Executive	1	1
Arts officer	1	1
Administration and support staff	3	6
	5	8
	<hr/>	<hr/>

7. TANGIBLE FIXED ASSETS

	Office Equipment £
<b>COST</b>	
At 1 <sup>st</sup> April 2024	80,997
Additions	300
And at 31 <sup>st</sup> March 2025	81,297
	<hr/>
<b>DEPRECIATION</b>	
At 1 <sup>st</sup> April 2024	78,331
Charge in period	741
And at 31 <sup>st</sup> March 2025	79,072
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 <sup>st</sup> March 2025	2,225
	<hr/>
At 31 <sup>st</sup> March 2024	2,666
	<hr/>

There were no commitments to capital expenditure at 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

<b>8.</b>	<b>DEBTORS</b>	<b>2025</b>	<b>2024</b>
		£	£
	Trade debtors	50,000	-
	Sundry debtors	3,362	3,362
	Prepayments and accrued income	3,500	3,500
		<hr/>	<hr/>
		56,862	6,862
		<hr/>	<hr/>

All debtors are due within one year.

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2025</b>	<b>2024</b>
	£	£
Creditors & accruals	9,003	7,514
Social security and other taxes	1,672	4,347
	<hr/>	<hr/>
	10,675	11,861
	<hr/>	<hr/>

**CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	<b>2025</b>	<b>2024</b>
	£	£
Creditors	54,382	29,361
	<hr/>	<hr/>

**10. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds £</b>
Tangible fixed assets	2,225	-	2,225
Net current assets	81,539	6,520	88,059
Creditors falling due after one year	(54,382)	-	(54,382)
	<hr/>	<hr/>	<hr/>
Net assets at 31 <sup>st</sup> March 2025	29,382	6,520	35,902
	<hr/>	<hr/>	<hr/>

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

**11. STATEMENT OF FUNDS**

	<b>Balance at 31<sup>st</sup> March 2024 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Transfers £</b>	<b>Balance at 31<sup>st</sup> March 2025 £</b>
Unrestricted funds					
General Funds	3,039	153,721	(127,378)	-	29,382
Restricted funds	6,000	8,500	(7,980)	-	6,520
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	9,039	162,221	(135,358)	-	35,902
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**Purposes of Funds**

**Restricted Funds**

Though many projects were undertaken in the year, the following were on going at 31<sup>st</sup> March 2025 and these represent the balances carried forward.

**Historic England (Redcar Peeps) Balance at 31st March 2025    £6,520**

**TEES VALLEY ARTS**

England & Wales - Charity number 515369

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# Accounts

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**TEES VALLEY ARTS**  
**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31ST MARCH 2024**

Charity Number : 515369

Company Number : 1656560

## TEES VALLEY ARTS

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Report of the Directors	2
Report of the Independent Examiner	8
Statement of financial activities	9
Balance sheet	10
Notes forming part of the financial statements	11

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

The Trustees present their report and the audited financial statements of the charity for the year ended 31<sup>st</sup> March 2024. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

#### **Reference and administrative information**

Charity name:	Tees Valley Arts
Charity registration number:	515369
Company registration number:	1656560
Registered office and operational address:	The Palace Hub 28-29 Esplanade Redcar TS10 3AE

#### **Directors and Trustees**

Under Article 28 of the Articles of Association, the Directors, who are charity trustees as defined by section 177 of the Charities Act 2011, shall number no less than 8 and not be subject to a maximum.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

#### **Directors and Trustees**

The Directors who served during the year and up to the date of approval of the accounts were:

Mr J Ainslie  
Mr M McNulty  
Mr G Flanagan  
Mrs M Walters (Chair)  
Professor N Vall  
Lizzie Lovejoy

#### **Executive Director**

James Beighton

#### **Independent Examiner**

Mr J Gresham FCCA  
Gresham and Gale  
14 Fountain Street  
Guisborough  
TS14 6PP

#### **Bankers**

HSBC plc  
60 Albert Road  
Middlesbrough  
TS1 1RS

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

#### **Structure, governance and management, and governing document:**

**Tees Valley Arts** is a company limited by guarantee, incorporated on 5<sup>th</sup> August 1982, and a registered charity governed by its memorandum and articles of association as amended by special resolution(s) dated 03 May 1984 as amended by special resolution(s) dated 5<sup>th</sup> June 1984 as amended by certificate of incorporation on change of name dated 11<sup>th</sup> July 1984 as amended by special resolution(s) dated 2<sup>nd</sup> December 1987 as amended by special resolution(s) dated 18<sup>th</sup> March 1996 as amended by special resolution(s) dated 4<sup>th</sup> December 2000 as amended by certificate of incorporation on change of name dated 5<sup>th</sup> September 2003 as amended by special resolution(s) dated 5<sup>th</sup> September 2011 as amended by special resolution(s) dated 6<sup>th</sup> March 2013 as amended by special resolution(s) dated 2<sup>nd</sup> March 2016 as amended by special resolution(s) dated 7<sup>th</sup> September 2016 as amended by special resolution(s) dated 7<sup>th</sup> January 2017.

In the event of the company being wound up, each of the members has pledged to contribute an amount not exceeding £1.

The Memorandum and Articles of Association of the charity state its principal objects to be “to promote, develop, provide and maintain access to, and engagement in, arts and culture, for the public benefit and education of people in the Tees Valley, particularly those with fewest opportunities to participate in, and to make progress through, such engagement.”

#### **Mission statement:**

**Tees Valley Arts** is a charity that uses the arts to create social change.

We believe that arts and culture create societies and offer challenges to the status quo. Communities have a right to tell their stories which reflect their past and will shape their future. Tees Valley Arts will act as a catalyst for all communities to become cultural producers, galvanising creative action and championing positive change.

Working with partners, we will lead in the cultural sector regionally and advocate for our region’s culture in national and international arenas.

#### **Recruitment and appointment of the Directors:**

The charity’s policy for recruitment of Directors is outlined elsewhere in this document.

#### **Director induction and training:**

All new Directors complete an induction and are issued with a role profile clearly setting out their legal responsibilities and what is expected of them. Directors are encouraged to attend at least one project event during the year as well as participate in a strategic away-day.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

**Risk management:**

The charity's strategic plan outlines the policies, strategies, aims and objectives of the organisation over a 3-year period while fully taking into account external threats and opportunities. An annual business plan is approved by the Board.

Internal risks are minimised by the implementation of a policy framework and procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. The policy and procedures are periodically reviewed to ensure that they meet our regulatory and business needs. Board and staff sub-committees are set up to ensure regular periodic review of specific issues such as policy updating, presentation of statistics and financial reporting.

**Organisational Structure:**

A board of Directors of at least 3 members (recommended 5-6), who meet quarterly, oversees the charity.

An Executive Director is appointed by the Directors to manage the day-to-day operations of the charity. Additionally, core team roles include two Assistant Curators and a Financial Administrator.

**Objectives and Activities:**

Tees Valley Arts is a charity that uses the arts to create social change based in Middlesbrough in the North East of England, working across the five boroughs of the Tees Valley (Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland, Stockton) and elsewhere. Tees Valley Arts champions co-production of high quality, stimulating creative activities as a tool for enhancing learning and life for individuals and communities.

The Memorandum and Articles of Association of the charity state its principal objects to be "to promote, develop, provide and maintain access to, and engagement in, arts and culture, for the public benefit and education of people in the Tees Valley, particularly those with fewest opportunities to participate in, and to make progress through, such engagement."

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

**Particular successes in 2023/24**

2023/24 marked Tees Valley Art's first full year as a member of Arts Council England's National Portfolio Scheme (NPO). This award, made to organisations who most closely support the Arts Council's strategic vision for the arts in this country, has provided us with both recognition for the work that we have been doing, especially since moving to Redcar in 2020, and crucially a period of secure funding for three years. Tees Valley Arts were one of three new members of the NPO scheme in the Tees Valley and join other organisations regionally including Middlesbrough Institute of Modern Art; Tees Valley Museum Service and Stockton International Riverside Festival. The process of becoming an NPO had drawn heavily upon our resources, both in terms of time and focus, coming at the expense of developing other funding bid. However the strategic decision was made that it was the right direction for the organisation and a degree of our previous reserves were expended in order to give ourselves the best chance at success. Over the course of the current financial year, the added security that our NPO status had brought, together with additional funding raised, has contributed to us restoring our reserves significantly.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

From the perspective of our artistic programme, the year could not have started on more of a high. A chance telephone call around Christmas time 2022 had made our Executive Director aware of a body of art work sitting untouched in a house in Middlesbrough which had been made during the late 1970s by a student at the Royal College of Art called Bill Dawson. After visiting the house and being amazed by the quality of the work it was decided to mount an exhibition bringing together 15 world class paintings that had not been seen for 40 years. It held true to Tees Valley Art's belief that creativity of the highest standard exists within our communities and with the right support can thrive for the benefit of all. Following on from this exhibition we launched *Grow And Gather* which celebrated gardening and allotment culture and was the first exhibition to be curated alongside our resident women's crafting group the WhichCraft? Ladies. August saw the launch of our exhibition *Thread Counts* which looked at artistic approaches to combating the cycle of waste in the fast fashion industry. It was also the launch of a major community commission in partnership with Borderlands Creative People and Places which took the form of a communally made rag rug for our gallery space. Over the course of the following 6 months nearly 600 people learned the traditional craft of rag rug (or clippy rug) making and contributed to the finished work.

Our Open Call exhibition over the winter period gave an opportunity for over 30 artists from across the country to exhibit with us, whilst our final exhibition of the financial year tackled the theme of knife crime and was used a backdrop for the Police Crime Commissioner's election debate.

Three communities have remained constant collaborators of Tees Valley Arts over the course of the year. These are Blooming Youth Collective, our group aimed at young people aged between 16-24, who continue to meet weekly and have increasingly informed our artistic programme. Most notably members of the group came together with the team at Tees Valley Arts and were successful in developing a bid to Historic England's *History in the Making* scheme which will explore the histories of queer culture in Redcar, resulting in outcomes over the course of next financial year. Our women's crafting group WhichCraft? Ladies have grown so much over the course of the year, collaborating with us on our exhibition programme (such as *Grow and Gather* noted above) as well as working with us on our application to Borderlands for the rag rug commission. Currently around 25-30 ladies meet every week in the gallery to make together and support one another. A third group which has developed greatly over the course of the last year is our Thursday evening life drawing session which sees around 15 people each week of all abilities come together for tutored drawing and represents a rare opportunity for this form of creativity within our region.

#### **Tees Valley Arts' Partners and Freelance Artists**

Partnerships at all levels remain hugely important for Tees Valley Arts and allow us to create and deliver all of the work that we do.

Tees Valley Arts works with a wide variety of freelance arts practitioners, and we thank them for their invaluable contributions.

#### **Governance**

Tees Valley Arts' Board contains representatives of different sectoral interests and professions. Thanks are due to trustees for their time, interest and support.

Directors in 2023/24 were: Jim Ainslie, Mike McNulty, Ged Flanagan, Lizzie Lovejoy, Margaret Walters (Chair) and Natasha Vall.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

**Fundraising**

Tees Valley Arts maintains its great offer to the Tees Valley through continuous fundraising, grant applications and submission of tenders.

**Reserves policy**

It is the policy of the charity that, in order to maximise the amount of funding available for arts activities, that unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should not exceed £125,000. At 31<sup>st</sup> March 2024 the level of free reserves was £3,039.

This policy will be regularly reviewed by the Directors in the light of prevailing financial circumstances.

**Investment policy**

The charity invests its surplus funds according to its anticipated short- and medium-term needs. At present bank deposit accounts are considered to be the most suitable medium. The Directors will continue to review this policy.

**Responsibilities of the Directors**

The Directors (who are also charity trustees of Tees Valley Arts as defined by section 177 of the Charities Act 2011) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Directors on  
and authorised to sign on their behalf



M Walters

Chair of the Board of Directors

## **INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF TEES VALLEY ARTS**

I report on the accounts of the company for the year ended 31<sup>st</sup> March 2024 which are set out on pages 9 to 19.

### **Respective responsibilities of directors and examiner**

The Directors (who are also charity trustees of Tees Valley Arts as defined by section 177 of the Charities Act 2011) are responsible for the preparation of the accounts. The Directors consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the 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 you as Directors 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 matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

14 Fountain Street  
Guisborough  
TS14 6PP

Mr J Gresham FCCA  
Gresham and Gale  
Accountants

**TEES VALLEY ARTS**  
**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR**  
**ENDED 31<sup>ST</sup> MARCH 2024**

		Unrestricted Funds	Restricted Funds	Total Funds 2024	Total Funds 2023
	NOTE	£	£	£	£
<b>INCOME</b>					
Donations and grants for core funding	2	-	-	-	-
<b>Income from charitable activities</b>					
Grants and contracts for promotion of arts activities in the area	3	144106	56120	200226	123188
Investment income - bank interest		-	-	-	-
		-----	-----	-----	-----
<b>Total Incoming Resources</b>		144106	56120	200226	123188
		-----	-----	-----	-----
<b>EXPENDITURE</b>					
Expenditure on charitable activities					
Costs of arts promotion etc	4	83165	85238	168403	172090
Governance costs	4	7635	-	7635	7078
		-----	-----	-----	-----
<b>Total expenditure</b>	4	90800	85238	176038	179168
		-----	-----	-----	-----
<b>Net income/(expenditure)</b>		53306	(29118)	24188	(55980)
Transfers between funds		-	-	-	-
		-----	-----	-----	-----
Net movement in funds for the year		53306	(29118)	24188	(55980)
Total funds brought forward		(50267)	35118	(15149)	40831
		-----	-----	-----	-----
<b>Total funds carried forward</b>	11	3039	6000	9039	(15149)
		-----	-----	-----	-----

The notes on pages 11 to 19 form part of these accounts.

**TEES VALLEY ARTS**  
(Limited by Guarantee, not having a share capital)

**BALANCE SHEET**  
**AS AT 31<sup>ST</sup> MARCH 2024**

	NOTE	2024		2023	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		2666		3554
<b>CURRENT ASSETS</b>					
Debtors	8	6862		6862	
Cash at bank and in hand		40733		17875	
		47595		24737	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	9	(11861)		(9155)	
<b>NET CURRENT ASSETS/NET ASSETS</b>			38400		19136
<b>CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR</b>	9		(29361)		(34285)
<b>NET ASSETS</b>			9039		(15149)
<b>FUNDS</b>					
Unrestricted	11		3039		(50267)
Restricted	11		6000		35118
			9039		(15149)

For the year ending 31<sup>st</sup> March 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

M Walters 

DIRECTOR AND TRUSTEE

Approved by the Board on 30<sup>th</sup> January 2024 and signed on its behalf by the above.

The notes on pages 11 to 19 form part of these accounts.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**1. ACCOUNTING POLICIES**

**(a) General information and basis of preparation**

Tees Valley Arts is a company limited by guarantee and registered in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are to promote, maintain and encourage for the education of the public, the development of the whole range of arts activity in the area currently known as the Tees Valley and its environs including drama, dance, music, opera, ballet, visual arts, photography, exhibitions, crafts, films, literature and community arts, for all members of the local community, without regard to disability, ethnic background, sexuality, age, gender, ability or religious or other belief.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2016 and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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

The charity adopted SORP (FRS 102) in the current year but this has not affected the financial position or performance.

**(b) Funds**

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost 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.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**1. ACCOUNTING POLICIES**

**(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding cash in a deposit account and is recognised when it is earned.

**(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. All direct costs relate to the charity's charitable activities.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**1. ACCOUNTING POLICIES**

**(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 3.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**(f) Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures and fittings	25% reducing balance.
-----------------------	-----------------------

**(g) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(h) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**1. ACCOUNTING POLICIES**

**(i) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**(j) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**(k) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**2. DONATIONS AND GRANTS FOR CORE FUNDING**

	<b>Total 2024</b>	<b>Total 2023</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted</b>	-	-
	<u>          </u>	<u>          </u>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Received in the year</b>				
Arts Council England	100000	-	100000	6779
Middlesbrough Council	2964	-	2964	1150
Tees Valley Combined Authority	-	-	-	56771
Festival of Thrift	375	-	375	-
Teesside University – Borderlands	-	50000	50000	-
National Centre for Creative Health (NCCH)	2000	-	2000	-
Woodsmith Foundation	310	-	310	-
Saltburn Foodbank	-	120	120	120
Redcar Borough Council	30450	-	30450	39837
Other grants, donations, fees and commissions	8007	-	8007	3282
Historic England (Redcar Peeps)	-	6000	6000	-
Navigator North	-	-	-	15249
Gift Aid	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	<b>144106</b>	<b>56120</b>	<b>200226</b>	<b>123188</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Of total income of £200,226 in 2024 (2023: £123,188), £56,120 (2023: £24,148) was credited to restricted funds and £144,106 (2023: £99,040) was credited to unrestricted funds.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**4. TOTAL RESOURCES EXPENDED**

	<b>Basis of Allocation</b>	<b>Charitable Activities</b>	<b>Governance Costs</b>	<b>Total 2024</b>	<b>Total 2023</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Costs directly allocated to activities</b>					
Staff costs	Direct	41944	-	41944	44676
Project costs	Direct	28116	-	28116	23807
Independent Examiner	Direct	-	2460	2460	1625
Other accountancy costs	Direct	-	-	-	-
<b>Support costs allocated to activities</b>					
Staff costs	Usage	86132	4533	90665	96570
General office costs	Usage	8830	464	9294	11781
Premises costs	Usage	3381	178	3559	709
		168403	7635	176038	179168
		168403	7635	176038	179168

Of the £176,038 of expenditure in 2024 (2023: £179,168) £85,238 was charged to restricted funds (2023: £8,779) and £90,800 was charged to unrestricted funds (2023: £170,389).

Total resources expended include:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Independent Examiner's fee	2460	1625
	2460	1625

**5. DIRECTORS' REMUNERATION**

The Directors neither received nor waived any emoluments during the year relating to their role as Directors. (2023: £NIL). No out of pocket expenses were reimbursed to any of the Directors.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

6. STAFF COSTS	2024	2023
	£	£
Wages and salaries	126531	133772
Social security costs	2945	3436
Pension costs	3360	4038
Training costs	-	-
Other staff costs	(227)	-
	<u>132609</u>	<u>141246</u>

No employee earned more than £60000 in the year (2023: NIL)

The average number of employees was:

	2024	2023
Chief Executive	1	1
Arts officer	1	1
Administration and support staff	6	7
	<u>8</u>	<u>9</u>

7. **TANGIBLE FIXED ASSETS**

	<b>Office Equipment £</b>
<b>COST</b>	
At 1 <sup>st</sup> April 2023	80997
Additions	-
And at 31 <sup>st</sup> March 2024	<u>80997</u>
<b>DEPRECIATION</b>	
At 1 <sup>st</sup> April 2023	77443
Charge in period	888
And at 31 <sup>st</sup> March 2024	<u>78331</u>
<b>NET BOOK VALUE</b>	
At 31 <sup>st</sup> March 2024	<u>2666</u>
At 31 <sup>st</sup> March 2023	<u>3554</u>

There were no commitments to capital expenditure at 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2023.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

<b>8.</b>	<b>DEBTORS</b>	<b>2024</b>	<b>2023</b>
		£	£
	Trade debtors	-	-
	Sundry debtors	3362	3362
	Prepayments and accrued income	3500	3500
		<u>6862</u>	<u>6862</u>

All debtors are due within one year.

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2024</b>	<b>2023</b>
	£	£
Creditors & accruals	7514	7079
Social security and other taxes	4347	2076
	<u>11861</u>	<u>9155</u>

**CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	<b>2024</b>	<b>2023</b>
	£	£
Creditors	29361	34285
	<u>29361</u>	<u>34285</u>

**10. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	2666	-	2666
Net current assets	29734	6000	35734
Creditors falling due after one year	(29361)	-	(29361)
	<u>3039</u>	<u>6000</u>	<u>9039</u>
Net assets at 31 <sup>st</sup> March 2024	3039	6000	9039

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**11. STATEMENT OF FUNDS**

	<b>Balance at 31<sup>st</sup> March 2023 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Transfers £</b>	<b>Balance at 31<sup>st</sup> March 2024 £</b>
Unrestricted funds					
General Funds	(50267)	144106	(90800)	-	3039
Restricted funds	35118	56120	(85238)	-	6000
	-----	-----	-----	-----	-----
	(15149)	200226	(176038)	-	9039
	-----	-----	-----	-----	-----

**Purposes of Funds**

**Restricted Funds**

Though many projects were undertaken in the year, the following were on going at 31<sup>st</sup> March 2024 and these represent the balances carried forward.

**Historic England (Redcar Peeps) Balance at 31st March 2024    £6000**

**TEES VALLEY ARTS**

England & Wales - Charity number 515369

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# Accounts

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**TEES VALLEY ARTS**  
**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31ST MARCH 2023**

Charity Number : 515369

Company Number : 1656560

## TEES VALLEY ARTS

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Report of the Directors	2
Report of the Independent Examiner	9
Statement of financial activities	10
Balance sheet	11
Notes forming part of the financial statements	12

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

The Trustees present their report and the audited financial statements of the charity for the year ended 31<sup>st</sup> March 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

#### **Reference and administrative information**

Charity name:	Tees Valley Arts
Charity registration number:	515369
Company registration number:	1656560
Registered office and operational address:	The Palace Hub 28-29 Esplanade Redcar TS10 3AE

#### **Directors and Trustees**

Under Article 28 of the Articles of Association, the Directors, who are charity trustees as defined by section 177 of the Charities Act 2011, shall number no less than 8 and not be subject to a maximum.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

#### **Directors and Trustees**

The Directors who served during the year and up to the date of approval of the accounts were:

Mr J Ainslie  
Mr M Lavery  
Mr M McNulty (Chair)  
Mr G Flanagan  
Mrs M Walters  
Professor N Vall

#### **Executive Director**

James Beighton

#### **Independent Examiner**

Mr J Gresham FCCA  
Gresham and Gale  
14 Fountain Street  
Guisborough  
TS14 6PP

#### **Bankers**

HSBC plc  
60 Albert Road  
Middlesbrough  
TS1 1RS

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

#### **Structure, governance and management, and governing document:**

**Tees Valley Arts** is a company limited by guarantee, incorporated on 5<sup>th</sup> August 1982, and a registered charity governed by its memorandum and articles of association as amended by special resolution(s) dated 03 May 1984 as amended by special resolution(s) dated 5<sup>th</sup> June 1984 as amended by certificate of incorporation on change of name dated 11<sup>th</sup> July 1984 as amended by special resolution(s) dated 2<sup>nd</sup> December 1987 as amended by special resolution(s) dated 18<sup>th</sup> March 1996 as amended by special resolution(s) dated 4<sup>th</sup> December 2000 as amended by certificate of incorporation on change of name dated 5<sup>th</sup> September 2003 as amended by special resolution(s) dated 5<sup>th</sup> September 2011 as amended by special resolution(s) dated 6<sup>th</sup> March 2013 as amended by special resolution(s) dated 2<sup>nd</sup> March 2016 as amended by special resolution(s) dated 7<sup>th</sup> September 2016 as amended by special resolution(s) dated 7<sup>th</sup> January 2017.

In the event of the company being wound up, each of the members has pledged to contribute an amount not exceeding £1.

The Memorandum and Articles of Association of the charity state its principal objects to be “to promote, develop, provide and maintain access to, and engagement in, arts and culture, for the public benefit and education of people in the Tees Valley, particularly those with fewest opportunities to participate in, and to make progress through, such engagement.”

#### **Mission statement:**

**Tees Valley Arts** is a charity that uses the arts to create social change.

We believe that arts and culture create societies and offer challenges to the status quo. Communities have a right to tell their stories which reflect their past and will shape their future. Tees Valley Arts will act as a catalyst for all communities to become cultural producers, galvanising creative action and championing positive change.

Working with partners, we will lead in the cultural sector regionally and advocate for our region’s culture in national and international arenas.

#### **Recruitment and appointment of the Directors:**

The charity’s policy for recruitment of Directors is outlined elsewhere in this document.

#### **Director induction and training:**

All new Directors complete an induction and are issued with a role profile clearly setting out their legal responsibilities and what is expected of them. Directors are encouraged to attend at least one project event during the year as well as participate in a strategic away-day.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

**Risk management:**

The charity's strategic plan outlines the policies, strategies, aims and objectives of the organisation over a 3-year period while fully taking into account external threats and opportunities. An annual business plan is approved by the Board.

Internal risks are minimised by the implementation of a policy framework and procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. The policy and procedures are periodically reviewed to ensure that they meet our regulatory and business needs. Board and staff sub-committees are set up to ensure regular periodic review of specific issues such as policy updating, presentation of statistics and financial reporting.

**Organisational Structure:**

A board of Directors of at least 8 members, who meet quarterly, oversees the charity.

An Executive Director is appointed by the Directors to manage the day-to-day operations of the charity. Additionally, there are two core team roles: Operations Manager and Curator.

**Objectives and Activities:**

Tees Valley Arts is a charity that uses the arts to create social change based in Middlesbrough in the North East of England, working across the five boroughs of the Tees Valley (Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland, Stockton) and elsewhere. Tees Valley Arts champions co-production of high quality, stimulating creative activities as a tool for enhancing learning and life for individuals and communities.

The Memorandum and Articles of Association of the charity state its principal objects to be "to promote, develop, provide and maintain access to, and engagement in, arts and culture, for the public benefit and education of people in the Tees Valley, particularly those with fewest opportunities to participate in, and to make progress through, such engagement."

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

**Particular successes in 2022/23**

- Tees Valley Arts celebrated its 40<sup>th</sup> birthday with a public exhibition that presented highlights of previous projects.
- We concluded our participation in the government backed Kickstarter scheme through which we had provided opportunities for 27 young people to experience employment within the arts.
- We hosted a yearlong programme of exhibitions and events at our new Redcar Palace base on the Redcar seafront.
- Blooming Youth Collective, our support programme for young people aged between 16-24, continued to run successfully under the leadership of our Assistant Curator Beth Smith.
- We welcomed the Redcar Ladies' Social Club to the premises in January 2023 who have since been using our space as a venue for a weekly crafting group which now includes over 30 people regularly.
- We launched our first open call art exhibition which attracted over 120 applications.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

#### **Tees Valley Arts' Partners and Freelance Artists**

Partnerships at all levels remain hugely important for Tees Valley Arts and allow us to create and deliver all of the work that we do.

Tees Valley Arts works with a wide variety of freelance arts practitioners, and we thank them for their invaluable contributions.

#### **Review of the year: (continued)**

#### **Governance**

Tees Valley Arts' Board contains representatives of different sectoral interests and professions. Thanks are due to trustees for their time, interest and support.

Directors in 2022/23 were: Jim Ainslie, Michael Lavery, Mike McNulty, Ged Flanagan, Lizzie Lovejoy, Margaret Walters (Chair) and Natasha Vall.

#### **Fundraising**

Tees Valley Arts maintains its great offer to the Tees Valley through continuous fundraising, grant applications and submission of tenders.

#### **Reserves policy**

It is the policy of the charity that, in order to maximise the amount of funding available for arts activities, that unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should not exceed £125,000. At 31<sup>st</sup> March 2023 the level of free reserves was (£50,267).

This policy will be regularly reviewed by the Directors in the light of prevailing financial circumstances.

#### **Investment policy**

The charity invests its surplus funds according to its anticipated short- and medium-term needs. At present bank deposit accounts are considered to be the most suitable medium. The Directors will continue to review this policy.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

#### Responsibilities of the Directors

The Directors (who are also charity trustees of Tees Valley Arts as defined by section 177 of the Charities Act 2011) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Directors on  
and authorised to sign on their behalf



M Walters

Chair of the Board of Directors

## **INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF TEES VALLEY ARTS**

I report on the accounts of the company for the year ended 31<sup>st</sup> March 2023 which are set out on pages 9 to 19.

### **Respective responsibilities of directors and examiner**

The Directors (who are also charity trustees of Tees Valley Arts as defined by section 177 of the Charities Act 2011) are responsible for the preparation of the accounts. The Directors consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the 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 you as Directors 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 matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

14 Fountain Street  
Guisborough  
TS14 6PP

Mr J Gresham FCCA  
Gresham and Gale  
Accountants

**TEES VALLEY ARTS**  
**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR**  
**ENDED 31<sup>ST</sup> MARCH 2023**

	NOTE	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
<b>INCOME</b>					
Donations and grants for core funding	2	-	-	-	-
<b>Income from charitable activities</b>					
Grants and contracts for promotion of arts activities in the area	3	99040	24148	123188	235617
Investment income - bank interest		-	-	-	1
		-----	-----	-----	-----
<b>Total Incoming Resources</b>		99040	24148	123188	235618
		-----	-----	-----	-----
<b>EXPENDITURE</b>					
Expenditure on charitable activities					
Costs of arts promotion etc	4	163311	8779	172090	250205
Governance costs	4	7078	-	7078	9148
		-----	-----	-----	-----
<b>Total expenditure</b>	4	170389	8779	179168	259353
		-----	-----	-----	-----
<b>Net income/(expenditure)</b>		(71349)	15369	(55980)	(23735)
Transfers between funds		-	-	-	-
		-----	-----	-----	-----
Net movement in funds for the year		(71349)	15369	(55980)	(23735)
Total funds brought forward		21082	19749	40831	64566
		-----	-----	-----	-----
<b>Total funds carried forward</b>	11	(50267)	35118	(15149)	40831
		-----	-----	-----	-----

The notes on pages 12 to 20 form part of these accounts.

**TEES VALLEY ARTS**  
(Limited by Guarantee, not having a share capital)

**BALANCE SHEET**  
**AS AT 31<sup>ST</sup> MARCH 2023**

	NOTE	2023		2022	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		3554		4739
<b>CURRENT ASSETS</b>					
Debtors	8	6862		21728	
Cash at bank and in hand		17875		73278	
		24737		95006	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	9	(9155)		(19764)	
<b>NET CURRENT ASSETS/NET ASSETS</b>			19136		79981
<b>CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR</b>	9		(34285)		(39150)
<b>NET ASSETS</b>			(15149)		40831
<b>FUNDS</b>					
Unrestricted	11		(50267)		21082
Restricted	11		35118		19749
			(15149)		40831

For the year ending 31<sup>st</sup> March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

M Walters 

DIRECTOR AND TRUSTEE

Approved by the Board on 30<sup>th</sup> January 2024 and signed on its behalf by the above.

The notes on pages 12 to 20 form part of these accounts.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

**1. ACCOUNTING POLICIES**

**(a) General information and basis of preparation**

Tees Valley Arts is a company limited by guarantee and registered in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are to promote, maintain and encourage for the education of the public, the development of the whole range of arts activity in the area currently known as the Tees Valley and its environs including drama, dance, music, opera, ballet, visual arts, photography, exhibitions, crafts, films, literature and community arts, for all members of the local community, without regard to disability, ethnic background, sexuality, age, gender, ability or religious or other belief.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2016 and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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

The charity adopted SORP (FRS 102) in the current year but this has not affected the financial position or performance.

**(b) Funds**

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost 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.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

**1. ACCOUNTING POLICIES**

**(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding cash in a deposit account and is recognised when it is earned.

**(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. All direct costs relate to the charity's charitable activities.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

**1. ACCOUNTING POLICIES**

**(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 3.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**(f) Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures and fittings	25% reducing balance.
-----------------------	-----------------------

**(g) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(h) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

**1. ACCOUNTING POLICIES**

**(i) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**(j) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**(k) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

**2. DONATIONS AND GRANTS FOR CORE FUNDING**

	<b>Total 2023</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted</b>	-	-
	<u>          </u>	<u>          </u>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Received in the year</b>				
North Star Housing	-	-	-	-
Whippet Up	-	-	-	-
Arts Council England	-	6779	6779	43254
Middlesbrough Council	1150	-	1150	-
Tees Valley Combined Authority	56771	-	56771	106256
Festival of Thrift	-	-	-	1985
Teesside University – Queering Study Day	-	-	-	-
County Durham Community	-	-	-	-
Middlesbrough Council – Tunnel Gallery	-	-	-	-
Middlesbrough Council – Cultural Partnership	-	-	-	-
Saltburn Foodbank	-	120	120	120
Redcar Borough Council	37837	2000	39837	44667
The Endeavour Partnership	-	-	-	-
Other grants, donations, fees and commissions	3282	-	3282	1363
HMRC JRS Grant	-	-	-	-
Redcar Borough Council – LRSG	-	-	-	21603
Navigator North	-	15249	15249	15914
Gift Aid	-	-	-	455
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	99040	24148	123188	235617
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Of total income of £123188 in 2023 (2022: £235,617), £24148 (2022: £59,788) was credited to restricted funds and £99040 (2022: £175,829) was credited to unrestricted funds.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

**4. TOTAL RESOURCES EXPENDED**

	Basis of Allocation	Charitable Activities £	Governance Costs £	Total 2023 £	Total 2022 £
<b>Costs directly allocated to activities</b>					
Staff costs	Direct	44676	-	44676	67556
Project costs	Direct	23807	-	23807	29719
Independent Examiner	Direct	-	1625	1625	1100
Other accountancy costs	Direct	-	-	-	-
<b>Support costs allocated to activities</b>					
Staff costs	Usage	91741	4829	96570	146027
General office costs	Usage	11192	589	11781	10961
Premises costs	Usage	674	35	709	3990
		-----	-----	-----	-----
		172090	7078	179168	259353
		=====	=====	=====	=====

Of the £179168 of expenditure in 2023 (2022: £259,353) £8779 was charged to restricted funds (2022: £45,301) and £170389 was charged to unrestricted funds (2022: £214,052).

Total resources expended include:

	2023 £	2022 £
Independent Examiner's fee	1625	1100
	-----	-----

**5. DIRECTORS' REMUNERATION**

The Directors neither received nor waived any emoluments during the year relating to their role as Directors. (2022: £NIL). No out of pocket expenses were reimbursed to any of the Directors.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

6. <b>STAFF COSTS</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	133772	200871
Social security costs	3436	6845
Pension costs	4038	5867
Training costs	-	-
Other staff costs	-	-
	<u>141246</u>	<u>213583</u>
	<u>          </u>	<u>          </u>

No employee earned more than £60000 in the year (2022: NIL)

The average number of employees was:

	<b>2023</b>	<b>2022</b>
Chief Executive	1	1
Arts officer	1	1
Administration and support staff	7	11
	<u>9</u>	<u>13</u>
	<u>          </u>	<u>          </u>

7. **TANGIBLE FIXED ASSETS**

	<b>Office Equipment £</b>
<b>COST</b>	
At 1 <sup>st</sup> April 2022	80997
Additions	-
And at 31 <sup>st</sup> March 2023	80997
	<u>          </u>
<b>DEPRECIATION</b>	
At 1 <sup>st</sup> April 2022	76258
Charge in period	1185
And at 31 <sup>st</sup> March 2023	77443
	<u>          </u>
<b>NET BOOK VALUE</b>	
At 31 <sup>st</sup> March 2023	3554
	<u>          </u>
At 31 <sup>st</sup> March 2022	4739
	<u>          </u>

There were no commitments to capital expenditure at 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

<b>8.</b>	<b>DEBTORS</b>	<b>2023</b>	<b>2022</b>
		£	£
	Trade debtors	-	18000
	Sundry debtors	3362	228
	Prepayments and accrued income	3500	3500
		<hr/>	<hr/>
		6862	21728
		<hr/>	<hr/>

All debtors are due within one year.

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2023</b>	<b>2022</b>
	£	£
Creditors & accruals	7079	15643
Social security and other taxes	2076	4121
	<hr/>	<hr/>
	9155	19764
	<hr/>	<hr/>

**CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	<b>2023</b>	<b>2022</b>
	£	£
Creditors	34285	39150
	<hr/>	<hr/>

**10. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	3554	-	3554
Net current assets	(19536)	35118	15582
Creditors falling due after one year	(34285)	-	(34285)
	<hr/>	<hr/>	<hr/>
Net assets at 31 <sup>st</sup> March 2023	(50267)	35118	(15149)
	<hr/>	<hr/>	<hr/>

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

11. **STATEMENT OF FUNDS**

	<b>Balance at 31<sup>st</sup> March 2022 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Transfers £</b>	<b>Balance at 31<sup>st</sup> March 2023 £</b>
Unrestricted funds					
General Funds	21082	99040	(170389)	-	(50267)
Restricted funds	19749	24148	(8779)	-	35118
	<u>40831</u>	<u>123188</u>	<u>(179168)</u>	<u>-</u>	<u>(15149)</u>

**Purposes of Funds**

**Restricted Funds**

Though many projects were undertaken in the year, the following were on going at 31<sup>st</sup> March 2023 and these represent the balances carried forward.

<b>Saltburn Foodbank</b>	<b>Balance at 31st March 2023</b>	<b>£1288</b>
<b>Seedbed</b>	<b>Balance at 31<sup>st</sup> March 2023</b>	<b>£3000</b>
<b>Leven Arts Society</b>	<b>Balance at 31<sup>st</sup> March 2023</b>	<b>£500</b>
<b>Navigator North</b>	<b>Balance at 31<sup>st</sup> March 2023</b>	<b>£30330</b>

**TEES VALLEY ARTS**

England & Wales - Charity number 515369

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# Accounts

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**TEES VALLEY ARTS**  
**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31ST MARCH 2022**

Charity Number : 515369

Company Number : 1656560

## TEES VALLEY ARTS

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Report of the Directors	2
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Statement of financial activities	10
Balance sheet	11
Notes forming part of the financial statements	12

**TEES VALLEY ARTS**  
**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

The Trustees present their report and the audited financial statements of the charity for the year ended 31<sup>st</sup> March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

**Reference and administrative information**

Charity name: Tees Valley Arts

Charity registration number: 515369

Company registration number: 1656560

Registered office and operational address: The Palace Hub  
28-29 Esplanade  
Redcar  
TS10 3AE

**Directors and Trustees**

Under Article 28 of the Articles of Association, the Directors, who are charity trustees as defined by section 177 of the Charities Act 2011, shall number no less than 8 and not be subject to a maximum.

**TEES VALLEY ARTS**

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**Directors and Trustees**

The Directors who served during the year and up to the date of approval of the accounts were:

Mr J Ainslie  
Mr M Lavery  
Mr M McNulty (Chair) to October 2021  
Mr G Flanagan  
Mrs M Walters Chair from October 2021  
Professor N Vall

**Executive Director**

James Beighton

**Independent Examiner**

Mr J Gresham FCCA  
Azets  
New Garth House  
Upper Garth Gardens  
Guisborough  
TS14 6HA

**Bankers**

HSBC plc  
60 Albert Road  
Middlesbrough  
TS1 1RS

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

#### **Structure, governance and management, and governing document:**

**Tees Valley Arts** is a company limited by guarantee, incorporated on 5<sup>th</sup> August 1982, and a registered charity governed by its memorandum and articles of association as amended by special resolution(s) dated 03 May 1984 as amended by special resolution(s) dated 5<sup>th</sup> June 1984 as amended by certificate of incorporation on change of name dated 11<sup>th</sup> July 1984 as amended by special resolution(s) dated 2<sup>nd</sup> December 1987 as amended by special resolution(s) dated 18<sup>th</sup> March 1996 as amended by special resolution(s) dated 4<sup>th</sup> December 2000 as amended by certificate of incorporation on change of name dated 5<sup>th</sup> September 2003 as amended by special resolution(s) dated 5<sup>th</sup> September 2011 as amended by special resolution(s) dated 6<sup>th</sup> March 2013 as amended by special resolution(s) dated 2<sup>nd</sup> March 2016 as amended by special resolution(s) dated 7<sup>th</sup> September 2016 as amended by special resolution(s) dated 7<sup>th</sup> January 2017.

In the event of the company being wound up, each of the members has pledged to contribute an amount not exceeding £1.

The Memorandum and Articles of Association of the charity state its principal objects to be “to promote, develop, provide and maintain access to, and engagement in, arts and culture, for the public benefit and education of people in the Tees Valley, particularly those with fewest opportunities to participate in, and to make progress through, such engagement.”

#### **Mission statement:**

**Tees Valley Arts** is a charity that uses the arts to create social change.

We believe that arts and culture create societies and offer challenges to the status quo. Communities have a right to tell their stories which reflect their past and will shape their future. Tees Valley Arts will act as a catalyst for all communities to become cultural producers, galvanising creative action and championing positive change.

Working with partners, we will lead in the cultural sector regionally and advocate for our region’s culture in national and international arenas.

#### **Recruitment and appointment of the Directors:**

The charity’s policy for recruitment of Directors is outlined elsewhere in this document.

#### **Director induction and training:**

All new Directors complete an induction and are issued with a role profile clearly setting out their legal responsibilities and what is expected of them. Directors are encouraged to attend at least one project event during the year as well as participate in a strategic away-day.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

#### **Risk management:**

The charity's strategic plan outlines the policies, strategies, aims and objectives of the organisation over a 3-year period while fully taking into account external threats and opportunities. An annual business plan is approved by the Board.

Internal risks are minimised by the implementation of a policy framework and procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. The policy and procedures are periodically reviewed to ensure that they meet our regulatory and business needs. Board and staff sub-committees are set up to ensure regular periodic review of specific issues such as policy updating, presentation of statistics and financial reporting.

#### **Organisational Structure:**

A board of Directors of at least 8 members, who meet quarterly, oversees the charity.

An Executive Director is appointed by the Directors to manage the day-to-day operations of the charity. Additionally, there are two core team roles: Operations Manager and Curator.

#### **Objectives and Activities:**

Tees Valley Arts is a charity that uses the arts to create social change based in Middlesbrough in the North East of England, working across the five boroughs of the Tees Valley (Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland, Stockton) and elsewhere. Tees Valley Arts champions co-production of high quality, stimulating creative activities as a tool for enhancing learning and life for individuals and communities.

The Memorandum and Articles of Association of the charity state its principal objects to be "to promote, develop, provide and maintain access to, and engagement in, arts and culture, for the public benefit and education of people in the Tees Valley, particularly those with fewest opportunities to participate in, and to make progress through, such engagement."

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

2021 saw for us a tentative emerging from Covid restrictions, still deeply uncertain about what the future might hold for us and still heavily influenced and informed by some of the restrictions – and indeed some of the new ways of thinking – that the pandemic had brought about. Our year started with us celebrating the opening of our new gallery space on the Redcar seafront and ended with us beginning the celebrations for our 40<sup>th</sup> birthday year.

In 2020 we were awarded a contract to run the Redcar Palace, an arts venue in the Palace Hub on the Redcar seafront and used the lockdown period to rethink how an arts space could be valuable to communities in Redcar. Since relocating to Redcar we have fundraised over £200k towards our ongoing activities, including through the Arts Council/DCMS Cultural Recovery Fund. We will be applying to join the Arts Council's National Portfolio Scheme (NPO) this year. The borough does not currently have any NPOs. Since opening our doors to the public in May 2021 over 20,000 people have experienced our programme in person and we are confident that this will increase over our second year as confidence in a post-Covid world starts to grow.

Young people are central to our programming. In May 2020 we established a peer led group for young people aged between 16-24, called Blooming Youth Collective. This currently has around 60 members who arrange weekly activities in our space and regular visits to other venues around the country. Increasingly they are helping to advise other arts organisations in their young people's programming.

We have to date created 27 new paid positions through the Government's Kickstart young employment initiative. This has resulted in positions being created across the organisation and from our first cohort of 10 kickstarts we have been able to retain three young people on long term contracts. We believe that this is the most wide scale use of the scheme by any cultural organisation in the North East. By contrast when we arrived in Redcar our organisation employed just 2.5 full time equivalent roles.

Alongside our gallery space we have also developed an honesty shop for anyone based locally who crafts, grows, bakes or otherwise makes something to sell their produce. It is also a place where people from different generations and backgrounds can meet and share skills. This shop is now run by Blooming Youth Collective and provides additional retail sector learning opportunities for young people. We are also establishing a not for profit art printing house, The Palace Press, developed with young people recruited through the Kickstart programme. This provides all in house printing needs for the organisation and will offer the service to other artists and arts/community organisations.

At the time of the writing we have two exhibitions on show. The first is "Saturday Girl About Town" by Yorkshire based photographer Casey Orr. Casey's project is part of a nation wide tour which will culminate at the prestigious Open Eye Gallery in Liverpool in 2024. Casey has produced a brand new body of work specifically for Redcar looking at how our town's young people use the high street. A publication dedicated to the Redcar portraits is being published. We are also showing a project called "Northern Girl" which is the result of a collaboration between Blooming Youth Collective, The Arc in Stockton and Pilot Theatre in York and has resulted in a new series of short stage works exploring what it is to be a girl growing up in the North.

Tees Valley Arts also provides accommodation for two other arts organisations within our spaces. These are Festival of Thrift and the community arts organisation WhippetUp.

2021/22 has been a year of significant growth and optimism and we look forward to building upon it in future years.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

#### **Review of the year: (continued)**

##### **Tees Valley Arts' Partners and Freelance Artists**

Partnerships at all levels remain hugely important for Tees Valley Arts and allow us to create and deliver all of the work that we do.

Tees Valley Arts works with a wide variety of freelance arts practitioners, and we thank them for their invaluable contributions.

##### **Governance**

Tees Valley Arts' Board contains representatives of different sectoral interests and professions. Thanks are due to trustees for their time, interest and support.

The Board is conscious of the importance being placed on sound charity governance and the good practice set out in the Charity Governance Code.

##### **Fundraising**

Tees Valley Arts maintains its great offer to the Tees Valley through continuous fundraising, grant applications and submission of tenders.

##### **Reserves policy**

It is the policy of the charity that, in order to maximise the amount of funding available for arts activities, that unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should not exceed £125,000. At 31<sup>st</sup> March 2022 the level of free reserves was £21,082.

This policy will be regularly reviewed by the Directors in the light of prevailing financial circumstances.

##### **Investment policy**

The charity invests its surplus funds according to its anticipated short- and medium-term needs. At present bank deposit accounts are considered to be the most suitable medium. The Directors will continue to review this policy.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

#### Responsibilities of the Directors

The Directors (who are also charity trustees of Tees Valley Arts as defined by section 177 of the Charities Act 2011) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Directors on  
and authorised to sign on their behalf



M Walters

Chair of the Board of Directors

## **INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF TEES VALLEY ARTS**

I report on the accounts of the company for the year ended 31<sup>st</sup> March 2022 which are set out on pages 10 to 20.

### **Respective responsibilities of directors and examiner**

The Directors (who are also charity trustees of Tees Valley Arts as defined by section 177 of the Charities Act 2011) are responsible for the preparation of the accounts. The Directors consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the 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 you as Directors 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 matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

New Garth House  
Upper Garth Gardens  
Guisborough  
TS14 6HA

Mr J Gresham FCCA  
Azets  
Accountants

**TEES VALLEY ARTS**  
**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR**  
**ENDED 31<sup>ST</sup> MARCH 2022**

	NOTE	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>INCOME</b>					
Donations and grants for core funding	2	-	-	-	-
<b>Income from charitable activities</b>					
Grants and contracts for promotion of arts activities in the area	3	175829	59788	235617	245359
Investment income - bank interest		1	-	1	7
		-----	-----	-----	-----
<b>Total Incoming Resources</b>		175830	59788	235618	245366
		-----	-----	-----	-----
<b>EXPENDITURE</b>					
Expenditure on charitable activities					
Costs of arts promotion etc	4	204904	45301	250205	197580
Governance costs	4	9148	-	9112	5951
		-----	-----	-----	-----
<b>Total expenditure</b>	4	214052	45301	259353	203531
		-----	-----	-----	-----
<b>Net income/(expenditure)</b>		(38222)	14487	(23735)	41835
Transfers between funds		-	-	-	-
		-----	-----	-----	-----
Net movement in funds for the year		(38222)	14487	(23735)	41835
Total funds brought forward		59304	5262	64566	22731
		-----	-----	-----	-----
<b>Total funds carried forward</b>	11	21082	19749	40831	64566
		-----	-----	-----	-----

The notes on pages 12 to 20 form part of these accounts.

**TEES VALLEY ARTS**  
**(Limited by Guarantee, not having a share capital)**

**BALANCE SHEET**  
**AS AT 31<sup>ST</sup> MARCH 2022**

	NOTE	2022		2021	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		4739		1927
<b>CURRENT ASSETS</b>					
Debtors	8	21728		21200	
Cash at bank and in hand		73278		101690	
		<u>95006</u>		<u>122890</u>	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
	9	<u>(19764)</u>		<u>(16997)</u>	
<b>NET CURRENT ASSETS/NET ASSETS</b>			<u>79981</u>		<u>107820</u>
<b>CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR</b>					
	9		<u>(39150)</u>		<u>(43254)</u>
<b>NET ASSETS</b>			<u>40831</u>		<u>64566</u>
<b>FUNDS</b>					
Unrestricted	11		21082		59304
Restricted	11		19749		5262
			<u>40831</u>		<u>64566</u>

For the year ending 31<sup>st</sup> March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

M Walters

DIRECTOR AND TRUSTEE

Approved by the Board on 18<sup>th</sup> January 2023 and signed on its behalf by the above.

The notes on pages 12 to 20 form part of these accounts.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**1. ACCOUNTING POLICIES**

**(a) General information and basis of preparation**

Tees Valley Arts is a company limited by guarantee and registered in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are to promote, maintain and encourage for the education of the public, the development of the whole range of arts activity in the area currently known as the Tees Valley and its environs including drama, dance, music, opera, ballet, visual arts, photography, exhibitions, crafts, films, literature and community arts, for all members of the local community, without regard to disability, ethnic background, sexuality, age, gender, ability or religious or other belief.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2016 and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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

The charity adopted SORP (FRS 102) in the current year but this has not affected the financial position or performance.

**(b) Funds**

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost 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.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**1. ACCOUNTING POLICIES**

**(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding cash in a deposit account and is recognised when it is earned.

**(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. All direct costs relate to the charity's charitable activities.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**1. ACCOUNTING POLICIES**

**(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 3.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**(f) Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures and fittings	25% reducing balance.
-----------------------	-----------------------

**(g) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(h) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**1. ACCOUNTING POLICIES**

**(i) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**(j) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**(k) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**2. DONATIONS AND GRANTS FOR CORE FUNDING**

	<b>Total</b>	<b>Total</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted</b>	-	-
	<u>          </u>	<u>          </u>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Received in the year</b>				
North Star Housing	-	-	-	-
Whippet Up	-	-	-	2202
Arts Council England	-	43254	43254	86020
Middlesbrough Council	-	-	-	10000
Tees Valley Combined Authority	106256	-	106256	36446
Festival of Thrift	1985	-	1985	4020
Teesside University – Queering Study Day	-	-	-	200
County Durham Community	-	-	-	30000
Middlesbrough Council – Tunnel Gallery	-	-	-	4750
Middlesbrough Council – Cultural Partnership	-	-	-	12000
Saltburn Foodbank	-	120	120	120
Redcar Borough Council	44667	-	44667	49100
The Endeavour Partnership	-	-	-	-
Other grants, donations, fees and commissions	863	500	1363	1309
HMRC JRS Grant	-	-	-	9199
Redcar Borough Council – LRSG	21603	-	21603	-
Navigator North	-	15914	15914	-
Gift Aid	455	-	455	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	175829	59788	235617	245359
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Of total income of £235617 in 2022 (2021: £245359), £59788 (2021: £86140) was credited to restricted funds and £175829 (2021:£159219) was credited to unrestricted funds.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**4. TOTAL RESOURCES EXPENDED**

	Basis of Allocation	Charitable Activities £	Governance Costs £	Total 2022 £	Total 2021 £
<b>Costs directly allocated to activities</b>					
Staff costs	Direct	67556	-	67556	27278
Project costs	Direct	29719	-	29719	84031
Independent Examiner	Direct	-	1100	1100	1410
Other accountancy costs	Direct	-	-	-	35
<b>Support costs allocated to activities</b>					
Staff costs	Usage	138726	7301	146027	58962
General office costs	Usage	10413	548	10961	8926
Premises costs	Usage	3791	199	3990	22889
		-----	-----	-----	-----
		250205	9148	259353	203531
		=====	=====	=====	=====

Of the £259353 of expenditure in 2022 (2021: £203531) £45301 was charged to restricted funds (2021: £87227) and £214052 was charged to unrestricted funds (2021: £116304).

Total resources expended include:

	2022 £	2021 £
Independent Examiner's fee	1100	1410
	-----	-----

**5. DIRECTORS' REMUNERATION**

The Directors neither received nor waived any emoluments during the year relating to their role as Directors. (2021: £NIL). No out of pocket expenses were reimbursed to any of the Directors.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

6. <b>STAFF COSTS</b>	<b>2022</b>	<b>2021</b>
	£	£
Wages and salaries	200871	61628
Social security costs	6845	17790
Pension costs	5867	5922
Training costs	-	900
Other staff costs	-	-
	<u>213583</u>	<u>86240</u>

No employee earned more than £60000 in the year (2020: NIL)

The average number of employees was:

	<b>2022</b>	<b>2021</b>
Chief Executive	1	1
Arts officer	1	1
Administration and support staff	11	1
	<u>13</u>	<u>3</u>

**7. TANGIBLE FIXED ASSETS**

	<b>Office Equipment £</b>
<b>COST</b>	
At 1 <sup>st</sup> April 2021	76605
Additions	4392
And at 31 <sup>st</sup> March 2022	<u>80997</u>
<b>DEPRECIATION</b>	
At 1 <sup>st</sup> April 2021	74678
Charge in period	1580
And at 31 <sup>st</sup> March 2022	<u>76258</u>
<b>NET BOOK VALUE</b>	
At 31 <sup>st</sup> March 2022	<u>4739</u>
At 31 <sup>st</sup> March 2021	<u>1927</u>

There were no commitments to capital expenditure at 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

<b>8.</b>	<b>DEBTORS</b>	<b>2022</b>	<b>2021</b>
		£	£
	Trade debtors	18000	17700
	Sundry debtors	228	-
	Prepayments and accrued income	3500	3500
		<hr/>	<hr/>
		21728	21200
		<hr/>	<hr/>

All debtors are due within one year.

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

		<b>2022</b>	<b>2021</b>
		£	£
	Creditors & accruals	15643	9483
	Social security and other taxes	4121	7514
		<hr/>	<hr/>
		19764	16997
		<hr/>	<hr/>

**CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

		<b>2022</b>	<b>2021</b>
		£	£
	Creditors	39150	43254
		<hr/>	<hr/>

**10. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	4739	-	4739
Net current assets	55493	19749	75242
Creditors falling due after one year	(39150)	-	(39150)
	<hr/>	<hr/>	<hr/>
Net assets at 31 <sup>st</sup> March 2022	21082	19749	40831
	<hr/>	<hr/>	<hr/>

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

11. **STATEMENT OF FUNDS**

	<b>Balance at 31<sup>st</sup> March 2021 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Transfers £</b>	<b>Balance at 31<sup>st</sup> March 2022 £</b>
Unrestricted funds					
General Funds	59304	175830	(214052)	-	21082
Restricted funds	5262	59788	(45301)	-	19749
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	64566	235618	(259353)	-	40831
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**Purposes of Funds**

**Restricted Funds**

Though many projects were undertaken in the year, the following were on going at 31<sup>st</sup> March 2022 and these represent the balances carried forward.

<b>Saltburn Foodbank</b>	<b>Balance at 31st March 2022</b>	<b>£1168</b>
<b>Seedbed</b>	<b>Balance at 31<sup>st</sup> March 2022</b>	<b>£3000</b>
<b>Leven Arts Society</b>	<b>Balance at 31<sup>st</sup> March 2022</b>	<b>£500</b>
<b>Navigator North</b>	<b>Balance at 31<sup>st</sup> March 2022</b>	<b>£15081</b>

**TEES VALLEY ARTS**

England & Wales - Charity number 515369

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# Accounts

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**TEES VALLEY ARTS**  
**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31ST MARCH 2021**

Charity Number : 515369

Company Number : 1656560

## TEES VALLEY ARTS

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Report of the Directors	2
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Statement of financial activities	10
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Notes forming part of the financial statements	12

**TEES VALLEY ARTS**  
**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

The Trustees present their report and the audited financial statements of the charity for the year ended 31<sup>st</sup> March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

**Reference and administrative information**

Charity name:	Tees Valley Arts
Charity registration number:	515369
Company registration number:	1656560
Registered office and operational address:	The Palace Hub 28-29 Esplanade Redcar TS10 3AE

**Directors and Trustees**

Under Article 28 of the Articles of Association, the Directors, who are charity trustees as defined by section 177 of the Charities Act 2011, shall number no less than 8 and not be subject to a maximum.

## **TEES VALLEY ARTS**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

#### **Directors and Trustees**

The Directors who served during the year and up to the date of approval of the accounts were:

Mr J Ainslie  
Mr M Lavery  
Mr M McNulty (Chair)  
Mr G Flanagan  
Mrs M Walters  
Cllr C Hannaway – Resigned 29<sup>th</sup> March 2021  
Prof N Vall  
Mr George Vasey – Resigned 29<sup>th</sup> March 2021  
Mr Oliver Mack – Resigned 28<sup>th</sup> September 2020

#### **Executive Director**

James Beighton

#### **Independent Examiner**

Mr J Gresham FCCA  
Azets  
New Garth House  
Upper Garth Gardens  
Guisborough  
TS14 6HA

#### **Bankers**

HSBC plc  
60 Albert Road  
Middlesbrough  
TS1 1RS

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

**Structure, governance and management, and governing document:**

Tees Valley Arts is a company limited by guarantee, incorporated on 5<sup>th</sup> August 1982, and a registered charity governed by its memorandum and articles of association as amended by special resolution(s) dated 03 May 1984 as amended by special resolution(s) dated 5<sup>th</sup> June 1984 as amended by certificate of incorporation on change of name dated 11<sup>th</sup> July 1984 as amended by special resolution(s) dated 2<sup>nd</sup> December 1987 as amended by special resolution(s) dated 18<sup>th</sup> March 1996 as amended by special resolution(s) dated 4<sup>th</sup> December 2000 as amended by certificate of incorporation on change of name dated 5<sup>th</sup> September 2003 as amended by special resolution(s) dated 5<sup>th</sup> September 2011 as amended by special resolution(s) dated 6<sup>th</sup> March 2013 as amended by special resolution(s) dated 2<sup>nd</sup> March 2016 as amended by special resolution(s) dated 7<sup>th</sup> September 2016 as amended by special resolution(s) dated 7<sup>th</sup> January 2017.

In the event of the company being wound up, each of the members has pledged to contribute an amount not exceeding £1.

The Memorandum and Articles of Association of the charity state its principal objects to be “to promote, develop, provide and maintain access to, and engagement in, arts and culture, for the public benefit and education of people in the Tees Valley, particularly those with fewest opportunities to participate in, and to make progress through, such engagement.”

**Mission statement:**

Tees Valley Arts is a charity that uses the arts to create social change.

We believe that arts and culture create societies and offer challenges to the status quo. Communities have a right to tell their stories which reflect their past and will shape their future. Tees Valley Arts will act as a catalyst for all communities to become cultural producers, galvanising creative action and championing positive change.

Working with partners, we will lead in the cultural sector regionally and advocate for our region’s culture in national and international arenas.

**Recruitment and appointment of the Directors:**

The charity’s policy for recruitment of Directors is outlined elsewhere in this document.

**Director induction and training:**

All new Directors complete an induction and are issued with a role profile clearly setting out their legal responsibilities and what is expected of them. Directors are encouraged to attend at least one project event during the year as well as participate in a strategic away-day.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

#### **Risk management:**

The charity's strategic plan outlines the policies, strategies, aims and objectives of the organisation over a 3-year period while fully taking into account external threats and opportunities. An annual business plan is approved by the Board.

Internal risks are minimised by the implementation of a policy framework and procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. The policy and procedures are periodically reviewed to ensure that they meet our regulatory and business needs. Board and staff sub-committees are set up to ensure regular periodic review of specific issues such as policy updating, presentation of statistics and financial reporting.

#### **Organisational Structure:**

A board of Directors of at least 8 members, who meet quarterly, oversees the charity.

An Executive Director is appointed by the Directors to manage the day-to-day operations of the charity. Additionally, there are two core team roles: Operations Manager and Curator.

#### **Objectives and Activities:**

Tees Valley Arts is a charity that uses the arts to create social change based in Middlesbrough in the North East of England, working across the five boroughs of the Tees Valley (Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland, Stockton) and elsewhere. Tees Valley Arts champions co-production of high quality, stimulating creative activities as a tool for enhancing learning and life for individuals and communities.

The Memorandum and Articles of Association of the charity state its principal objects to be "to promote, develop, provide and maintain access to, and engagement in, arts and culture, for the public benefit and education of people in the Tees Valley, particularly those with fewest opportunities to participate in, and to make progress through, such engagement."

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

In a year dominated by the prevalence of Covid our activities inevitably shifted from where we might have expected them to be. Not least among these was the challenge presented to us in opening our gallery space in Redcar. Following easing of lockdown restrictions we were able to gain access to the building and move in properly from July 2020 and to quit our former offices in Middlesbrough. The resulting significant reduction in our core costs has been vital in ensuring our ability to weather the ongoing storm.

We endeavoured to take advantage of all available support available to businesses in order to stabilize the organization, this included local authority discretionary grants, a business Bounce Back loan and the government furlough scheme which was used to secure the role of our Outreach Curator and who returned to work in September 2020. Notable success was achieved through bids to emergency funding offered through Arts Council England, with both bids submitted in year being successful in receiving the amounts requested.

Even with the strictures of lockdown we have been able to deliver against our core objectives, remaining a key partner in the Middlesbrough Cultural Partnership and helping to found a parallel Redcar & Cleveland Cultural Partnership. We have continued to work with our partner organisations in Middlesbrough through the "NAPTA" partnership (The Auxiliary, Navigator North and Platform A) to deliver firstly a successful pilot bid to Historic England's Heritage High Street Action Zone programme and subsequently working with Navigator North to develop a full bid to the scheme's cultural programme. We were additionally able to use the gallery space during gaps in lockdown to support exhibition programmes, including working with Festival of Thrift to present a celebration of their hyper-local festival for 2020. We were also able to programme a significant solo show with sculptor Rebecca Appleby and to host the Teesside International Print Prize – even though for most of the time these exhibitions could only be enjoyed by visitors either online or by making best use of our large glass frontage.

A particular triumph has been securing funding through the #IWill Youth Social Action Fund to establish a young people's programme for Tees Valley Arts. Although relatively modest in terms of amounts this promises to be transformational as a peer led project bringing the voices of young people into the delivery of our programmes at a time when young people are facing some of the most significant challenges in generations. Combining this with an ambitious policy to appoint up to 10 young people through the Government's Kickstart programme means that at March 2021 we are poised to be able to open our spaces properly in May this year with a new team of young people offering them their first experience of working within the arts, supported by experienced colleagues whose roles we have managed to retain. The organization feels re-energised and poised to seize the opportunities of society re-opening in 2021.

#### **Tees Valley Arts' Partners and Freelance Artists**

Partnerships at all levels remain hugely important for Tees Valley Arts and allow us to create and deliver all of the work that we do.

Tees Valley Arts works with a wide variety of freelance arts practitioners, and we thank them for their invaluable contributions.

## TEES VALLEY ARTS

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

#### **Review of the year: (continued)**

##### **Governance**

Tees Valley Arts' Board contains representatives of different sectoral interests and professions. Thanks are due to trustees for their time, interest, and support.

##### **Fundraising**

Tees Valley Arts maintains its great offer to the Tees Valley through continuous fundraising, grant applications and submission of tenders.

##### **Reserves policy**

It is the policy of the charity that, in order to maximise the amount of funding available for arts activities, that unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should not exceed £125,000. At 31<sup>st</sup> March 2021 the level of free reserves was £59,304

This policy will be regularly reviewed by the Directors in the light of prevailing financial circumstances.

##### **Investment policy**

The charity invests its surplus funds according to its anticipated short- and medium-term needs. At present bank deposit accounts are considered to be the most suitable medium. The Directors will continue to review this policy.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

**Responsibilities of the Directors**

The Directors (who are also charity trustees of Tees Valley Arts as defined by section 177 of the Charities Act 2011) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Directors on  
and authorised to sign on their behalf



M WALTERS

Chair of the Board of Directors

## **INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF TEES VALLEY ARTS**

I report on the accounts of the company for the year ended 31<sup>st</sup> March 2021 which are set out on pages 10 to 20.

### **Respective responsibilities of directors and examiner**

The Directors (who are also charity trustees of Tees Valley Arts as defined by section 177 of the Charities Act 2011) are responsible for the preparation of the accounts. The Directors consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the 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 you as Directors 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 matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

New Garth House  
Upper Garth Gardens  
Guisborough  
TS14 6HA



Mr J Gresham FCCA  
Azets  
Accountants

**TEES VALLEY ARTS**  
**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR**  
**ENDED 31<sup>ST</sup> MARCH 2021**

		Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	NOTE	£	£	£	£
<b>INCOME</b>					
Donations and grants for core funding	2	-	-	-	-
<b>Income from charitable activities</b>					
Grants and contracts for promotion of arts activities in the area	3	159219	86140	245359	175039
Investment income - bank interest		7	-	7	36
		-----	-----	-----	-----
<b>Total Incoming Resources</b>		<b>159226</b>	<b>86140</b>	<b>245366</b>	<b>175075</b>
		-----	-----	-----	-----
<b>EXPENDITURE</b>					
Expenditure on charitable activities					
Costs of arts promotion etc	4	110353	87227	197580	183334
Governance costs	4	5951	-	5951	6283
		-----	-----	-----	-----
<b>Total expenditure</b>	4	<b>116304</b>	<b>87227</b>	<b>203531</b>	<b>189617</b>
		-----	-----	-----	-----
<b>Net income/(expenditure)</b>		<b>42922</b>	<b>(1087)</b>	<b>41835</b>	<b>(14542)</b>
Transfers between funds		-	-	-	-
		-----	-----	-----	-----
Net movement in funds for the year		42922	(1087)	41835	(14542)
Total funds brought forward		16382	6349	22731	37273
		-----	-----	-----	-----
<b>Total funds carried forward</b>	11	<b>59304</b>	<b>5262</b>	<b>64566</b>	<b>22731</b>
		-----	-----	-----	-----

The notes on pages 12 to 20 form part of these accounts.

**TEES VALLEY ARTS**  
(Limited by Guarantee, not having a share capital)

**BALANCE SHEET**  
**AS AT 31<sup>ST</sup> MARCH 2021**

	NOTE		2021		2020
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		1927		-
<b>CURRENT ASSETS</b>					
Debtors	8	21200		18000	
Cash at bank and in hand		101690		15453	
		122890		33453	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	9	(16997)		(10222)	
<b>NET CURRENT ASSETS/NET ASSETS</b>			107820		23231
<b>CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR</b>	9		(43254)		(500)
<b>NET ASSETS</b>			64566		22731
<b>FUNDS</b>					
Unrestricted	11		59304		16382
Restricted	11		5262		6349
			64566		22731

For the year ending 31<sup>st</sup> March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

M WALTERS



DIRECTOR AND TRUSTEE

Approved by the Board on 21<sup>th</sup> December 2021 and signed on its behalf by the above.  
The notes on pages 12 to 20 form part of these accounts.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**1. ACCOUNTING POLICIES**

**(a) General information and basis of preparation**

Tees Valley Arts is a company limited by guarantee and registered in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are to promote, maintain and encourage for the education of the public, the development of the whole range of arts activity in the area currently known as the Tees Valley and its environs including drama, dance, music, opera, ballet, visual arts, photography, exhibitions, crafts, films, literature and community arts, for all members of the local community, without regard to disability, ethnic background, sexuality, age, gender, ability or religious or other belief.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2016 and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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

The charity adopted SORP (FRS 102) in the current year but this has not affected the financial position or performance.

**(b) Funds**

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost 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.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**1. ACCOUNTING POLICIES**

**(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding cash in a deposit account and is recognised when it is earned.

**(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. All direct costs relate to the charity's charitable activities.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**1. ACCOUNTING POLICIES**

**(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 3.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**(f) Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures and fittings	25% reducing balance.
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**(g) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(h) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**1. ACCOUNTING POLICIES**

**(i) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**(j) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**(k) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**2. DONATIONS AND GRANTS FOR CORE FUNDING**

	<b>Total</b>	<b>Total</b>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted</b>	-	-
	<hr/>	<hr/>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Received in the year</b>				
North Star Housing	-	-	-	4500
Whippet Up	2202	-	2202	-
Arts Council England	-	86020	86020	18926
Middlesbrough Council	10000	-	10000	-
Teesside University	-	-	-	10000
Hartlepool Borough Council	-	-	-	5000
Tees Valley Combined Authority	36446	-	36446	102846
Festival of Thrift	4020	-	4020	-
Teesside University – Queering Study Day	200	-	200	200
County Durham Community	30000	-	30000	-
Middlesbrough Council – Tunnel Gallery	4750	-	4750	-
Creative Darlington – Heritage on Track	-	-	-	8680
Middlesbrough Council – Cultural Partnership	12000	-	12000	8000
Saltburn Foodbank	-	120	120	4321
Redcar Borough Council	49100	-	49100	600
The Endeavour Partnership	-	-	-	1635
Other grants, donations, fees and commissions	1307	-	1309	10331
HMRC JRS Grant	9199	-	9199	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>159219</b>	<b>86140</b>	<b>245359</b>	<b>175039</b>
	<hr/>	<hr/>	<hr/>	<hr/>

Of total income of £245359 in 2021 (2020: £175039), £86140 (2020: £164108) was credited to restricted funds and £159219 (2020:£10931) was credited to unrestricted funds.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**4. TOTAL RESOURCES EXPENDED**

	<b>Basis of Allocation</b>	<b>Charitable Activities</b>	<b>Governance Costs</b>	<b>Total 2021</b>	<b>Total 2020</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Costs directly allocated to activities</b>					
Staff costs	Direct	27278	-	27278	27078
Project costs	Direct	84031	-	84031	63122
Independent Examiner	Direct	-	1410	1410	1380
Other accountancy costs	Direct	-	35	35	-
<b>Support costs allocated to activities</b>					
Staff costs	Usage	56014	2948	58962	58530
General office costs	Usage	8512	414	8926	13215
Premises costs	Usage	21745	1144	22889	26292
		197580	5951	203531	189617
		197580	5951	203531	189617

Of the £203531 of expenditure in 2021 (2020: £189617) £87227 was charged to restricted funds (2020: £176454) and £116304 was charged to unrestricted funds (2020: £13163).

Total resources expended include:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Independent Examiner's fee	1410	1380
	1410	1380

**5. DIRECTORS' REMUNERATION**

The Directors neither received nor waived any emoluments during the year relating to their role as Directors. (2020: £NIL). No out of pocket expenses were reimbursed to any of the Directors.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

6. STAFF COSTS	2021 £	2020 £
Wages and salaries	61628	78280
Social security costs	17790	4111
Pension costs	5922	2949
Training costs	900	268
Other staff costs	-	-
	<hr/>	<hr/>
	86240	85608
	<hr/>	<hr/>

No employee earned more than £60000 in the year (2020: NIL)

The average number of employees was:

	2021	2020
Chief Executive	1	1
Arts officer	1	1
Administration and support staff	1	1
	<hr/>	<hr/>
	3	3
	<hr/>	<hr/>

7. TANGIBLE FIXED ASSETS

	Office Equipment £
<b>COST</b>	
At 1 <sup>st</sup> April 2020	74036
Additions	2569
And at 31 <sup>st</sup> March 2021	76605
	<hr/>
<b>DEPRECIATION</b>	
At 1 <sup>st</sup> April 2020	74036
Charge in period	642
And at 31 <sup>st</sup> March 2021	74678
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 <sup>st</sup> March 2021	1927
	<hr/>
At 31 <sup>st</sup> March 2020	-
	<hr/>

There were no commitments to capital expenditure at 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020.

**TEES VALLEY ARTS**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

<b>8.</b>	<b>DEBTORS</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Trade debtors	17700	14500
	Sundry debtors	-	-
	Prepayments and accrued income	3500	3500
		<hr/>	<hr/>
		21200	18000
		<hr/>	<hr/>

All debtors are due within one year.

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Creditors & accruals	9483	6215
Social security and other taxes	7514	4007
	<hr/>	<hr/>
	16997	10222
	<hr/>	<hr/>

**CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Creditors	43254	500
	<hr/>	<hr/>

**10. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	1927	-	1927
Net current assets	57377	5262	62639
	<hr/>	<hr/>	<hr/>
Net assets at 31 <sup>st</sup> March 2021	59304	5262	64566
	<hr/>	<hr/>	<hr/>