

# **Midlands Arts Centre**

A Company Limited by Guarantee

**Trading as MAC**

## **Annual Report & Financial Statements For The Year Ended 31 March 2025**

Company No: 00718349  
Charity No: 528979

# Annual Report and Financial Statements for the Year Ended 31 March 2025

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# 1. Overview

## 1.1. The Year in Numbers



## 1.2. Chair's Statement

In my first year as Chair of Trustees for Midlands Arts Centre (MAC) it gives me great pleasure to present the 2024-25 annual report and accounts. It has been a busy year at MAC as we welcomed 800,000 visitors to our venue. Once again it was reported that MAC was ranked as the most visited free attraction in the West Midlands and the 17th most visited free attraction in England (out of 1,513 attractions). It's a strong testament to the popularity of our artistic programme and the high-quality service provided by all teams that ensures we are an irresistible and affordable destination for visitors.

The financial situation faced by MAC over the year however has been more challenging and as resourceful and resilient as we are, we must also acknowledge the stark environment we currently operate in. This last year has seen the cultural sector face significant financial difficulties due to declining public funding, rising costs, and changing audience habits. Undoubtedly, we are required to find new ways to generate more revenue and secure greater partnership working if we are to match our ambition of being a national leader in community participation by 2028.

Our work is only made possible by the strength of our existing partnerships, and I am pleased to report that we continue to maintain positive relationships with our stakeholders. This was especially evident in October 2023 when our activities were interrupted by the discovery of RAAC (reinforced autoclaved aerated concrete) which led to the temporary closure across three of our spaces. Given the situation we contacted Arts Council England and People's Postcode Lottery for advice, both provided extraordinary support in helping us to manage the situation effectively. This together with the sharp responsiveness of colleagues enabled us to reopen the main theatre in May 2024 and complete the necessary capital adaptations to both studios by Easter 2025. Whilst these are temporary measures the spaces are now fully operational and safe for use and I would like to take this opportunity to thank Arts Council England and the People's Postcode Lottery for their invaluable assistance. Trustees and Executive are now focused on the priority of future capital planning and the imperative of replacement and renewal of MAC's aging estate.

Future planning has been a major focus this year with the Chief Executive and Senior Managers together with Trustees working hard to update our purpose, mission and redefine our business priorities to see us through the next strategic phase of the organisation. The new Business Plan 2025-28 focuses on growth across all aspects of MAC's work – but with specific attention on workforce development, greater investment of infrastructure and enhanced marketing and communication. Carefully aligned of course with stakeholders in respect to the needs of communities and a commitment to sustainability.

We welcomed Arts Council England's announcement of a revised extension to its NPO funding, confirmed to the end of March 2028, this will allow us more opportunity to deliver against our new Business Plan. MAC remains very supportive of ACE's "Let's Create" national strategy by deepening our role with the local communities we serve to encourage both their creativity and participation. In January 2024, People's Postcode Lottery generously increased our annual grant by 12% to £900,000 in recognition of our work with communities, their investment represents a major contribution to our overall income.

Fundraising is as ever a vital part of our financial model and individual giving continues to be a priority for the forthcoming years ahead. We have been developing more effective public campaigns that describe the powerful impact of our work through interviews, films and focus groups. This last year has seen a buoyant increase in the number of new and renewing

memberships with exciting plans to extend MAC's Supporters Circle to younger, more diverse donors. Thank you to all existing and future MAC donors for your invaluable support.

Corporate and commercial sponsorship is also incredibly valuable to our success. I would like to give a special mention to Eversheds Sutherland, whose regular sponsorship gives us the reassurance of longer-term planning. From arts to trading we have seen increased support from national brands wanting to collaborate and who see the mutual benefit of attracting more interesting shared engagement opportunities. Of course, the bedrock to our community programme and exhibitions has been the loyal investment from trusts and foundations, though we recognise it is a highly competitive environment, we are as ever incredibly grateful to the Saintbury Trust, Feeney Trust, New Work Trust and Roughley Trust to name but a few for their enormous generosity.

Crucial to the visitor experience at MAC is Trading, through our catering activities and I am pleased to report we have ended the year with a total contribution of £608k to the Charity which bringing the Trading contribution back to pre-COVID levels which is really positive to see.

As I end my first year as Chair I would like to take this opportunity to thank all of my fellow Trustees who give so generously of their time and energy. In particular I would like to thank Mary Martin who stepped down as Chair in September 2024 and Mike Williams, Chair of the Trading Committee for their support and encouragement. And last but by no means least on behalf of all the Trustees I would like to thank Debbie Kermode for her tireless and visionary leadership of MAC and the Senior Management team and all their staff for their hard work and commitment. I am looking forward to continuing to work with you all as we lead the organisation into an exciting future.

**Ros Robins, Chair of the Trustees**

## 1.3. Chief Executive's Report

When you visit MAC, you're entering more than just an arts centre, you're arriving at a place where new ideas are explored, friendships are made and creative expression flourishes. It is a privilege to lead this exceptional organisation and despite the plethora of challenging issues faced, we have nevertheless continued to deliver a very popular programme underpinned by exceptional customer service.

Over the past year, Board and colleagues have been working to reflect on our purpose and values more strategically. Our aim is to ensure we are a sustainable arts centre for the future, with steady growth and profitability. Our new business plan 'Inspiring Growth 2025-28' outlines a road map for success, which will keep us focused and ensure accountability.

At the heart of our plan are people. We have greater success when we involve local people in our decision making and we can only do this through more effective consultation. This work has already started with great success, from Neighbourhood Forums advising us on recruitment and planning celebration events such as Iftars. These co-created activities led by communities helps to foster loyalty and relevance to those we serve. Inviting everyone's contribution is key to our success and we increased opportunities for professional and non-professional artists to participate in open calls, that invite the public to contribute to professional opportunities across exhibitions, theatre and community programmes, inviting everyone's creativity to be visible and celebrated.

We continue to prioritise our workforce and during this year we progressed with our important work on Equity, Diversity and Inclusion (EDI) to make MAC a place where everyone belongs and an organisation that reflects the diversity of Birmingham. We have almost completed our ambitious two-year focus on disability in the workforce through our All of Us programme as part of our EDI commitment. This also extended to increased staff training, our first Town Hall event that saw over 120 colleagues attend and the launch of our new Wellbeing Champions.

I am delighted that Ros Robins was formally appointed as our new Chair of the Board. Ros has over 40 years' experience of working in the arts sector and has supported theatre and dance companies across the UK as an advisor and mentor specialising in organisational change and development. Ros will be responsible for the leadership of MAC's Board of Trustees, managing its effectiveness in supporting the development and strategic direction of the charity. Finally, my heart-felt thanks to our former Chair Mary Martin, who was instrumental in steering us through some difficult times and who was outstanding in all aspects of governance. Mary stepped down in September 2024, and myself and the entire MAC team are very grateful for everything she did and the strong positive legacy she leaves.

I would like to thank all the Board for their extraordinary support and their tireless efforts that make all of MAC's work possible and also to our dedicated communities of artists and partners who all play vital roles in making MAC such a vibrant venue. My thanks also to the family trusts, public and private grant-makers, businesses, individual donors and audience members whose generous gifts, legacies, grants and donations are vital to us.

Finally, I would like to extend my sincere gratitude to our hard-working teams who are on site long-hours each day to ensure that the service we provide is first-class and that the artists we work with have all the resources they need to make their work shine brightly.

**Deborah Kermode, Chief Executive & Artistic Director**

## 2. Trustees' Report including Strategic Report

The Trustees, who are also the Directors of the charitable company for the purposes of Company Law, present their Annual Report, which includes the Strategic Report, and the audited consolidated financial statements for the charitable group year ended 31 March 2025.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the 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 (FRS102) (effective 1 January 2019).

### 2.1. Who We Are

First opened in 1962, Midlands Arts Centre (MAC) is a pioneering arts centre and charity and an Arts Council England National Portfolio Organisation. Set in Cannon Hill Park, two miles south of the city centre, MAC offers a busy programme of theatre, independent cinema, visual arts exhibitions, creative courses, and special events. MAC is a national leader in developing work with children, young people, and families. At the heart of MAC is a focus on sustainability, accessibility, and inclusion. We work extensively to support international and local artists, and develop programmes for and with the local community.

We want to encourage as many people as possible to:

“explore, examine and enjoy the arts activities of others; and participate in, and undertake, their own arts activities.”

#### **Our Mission is:**

By 2028 MAC will be recognised as a national centre of excellence for creative participation and as a destination of choice for exceptional cultural and artistic experiences. We will be known for being at the forefront of community engagement.

#### **Our Vision is:**

To promote innovative, creative arts activities in ways which help to establish them as an important part of people's everyday lives.

#### **Our Values are:**

MAC's values underpin all the decisions we take; how we serve our audiences, recruit our staff and engage with artists.

MAC is Belonging: We create experiences where everyone is welcome

MAC is Inclusive: We believe the arts is for everyone

MAC is Collaborative: We thrive on positive partnerships

MAC is Creative: We foster unique creativity

MAC is Innovative: We believe in bold ideas and strong artistic voice

MAC is Resilient: We continually improve our work

Further details on all our activities can be found later in this report and on our website: [www.macbirmingham.co.uk](http://www.macbirmingham.co.uk)

## 2.2. Key Highlights from 2024-25

We brought fresh perspective to art and new ways to engage with artists. Our commitment is to always highlight and promote the voices of those in our communities that are under-represented and whose ideas and talents are fresh and innovative. Highlights include:

### 2.2.1. Year of Sustainability

#### **Tatiana Wolska: Leisure as Resistance | 9 March – 2 June 2024**

*Leisure as Resistance* marks Tatiana Wolska's first solo exhibition in the UK. Born in 1977, Wolska utilised recycled materials, evoking the resourcefulness ingrained in her during her childhood in communist Poland, where recycling became a necessity due to the scarcity of goods. The exhibition showcased her signature recycled bottle sculptures and several new commissions, including scrap wood sculptures, large-scale drawings, monumental makeshift hut and a mural.

*'You are certainly on my wavelength. Thank you for taking this to the art world'.*

*'Creating doesn't have to be difficult. This structure shows what happens when you join one thing to another and then another until you have something completely new. Creation is collaboration between people and materials. Simple and instinctive.'*

*'So well done! Love the concept, especially in this economy. Very sweet breath of fresh air. Hope this is picked up as a concept and done all over the country. Took a book. I will bring another before you are gone.'*

#### **Waste Age: What can design do? | 26 October 2024 – 23 February 2025**

This group exhibition focused on a new generation of designers who are rethinking our relationship to everyday things. From fashion to food, electronics to construction, even packaging; finding the lost value in our trash and imagining a future of clean materials and a circular economy could point the way out of the Waste Age. The exhibition tells the story of the environmental crisis and marks MAC's first collaboration with the Design Museum to highlight the current crisis and design's role in the problem. Divided into three topics, this exhibition explored what lies beyond our current toxic waste infrastructures, exploring the environmental, social, and geopolitical forces at work. The exhibition featured a new sculptural commission inspired by clothes waste markets in Nigeria by Birmingham-based artist Abdulrazaq Awofeso. Waste Age is a touring exhibition by the Design Museum, London. MAC is the only tour venue in the UK.

*"I was already aware of the issue, but the exhibition deepened my understanding and gave focus on specific industries and materials."*

*"Excellent. A real eye-opening supported by real data."*

*"(...) The exhibition in the gallery upstairs is one of the best of its kind I have seen in a long time. Again, it succeeds in its objectives but also the actual design of the display of such beautiful solutions managed to appeal to the senses of the viewer."*



## **Rubbish Redesigned: Innovative Designers from the Midlands | 28 September 2024 – 2 March 2025**

**Rachael Colley, Rhys Ellis, Foresso, Studio Mafa, Danielle Phelps, Molly Ratcliffe**

A group exhibition that delved into the rise of imaginative approaches to circular design and waste innovation across the West Midlands. It highlighted the creative uses of common waste materials, such as orange peel and cow manure, addressing the pressing need to reconsider how we utilise and recycle our planet's resources.

### **Pauline Farrar: Celebrity Robots Family Tour | Summer 2024**

With family fun at the heart of our summer, we welcomed Ed Sheeran, Taylor Swift and the Spice Girls to MAC over the summer in the form of beautifully hand-made robots. Designed and produced by disabled artist, Pauline Farrar, twenty celebrity robots were installed across the venue, including Benjamin Zephaniah which we commissioned in tribute to Birmingham's most popular poet.

### **Big Green Weekender**

We successfully hosted our annual Big Green Weekender with 9,000 visitors attending, ideal for families, featuring performances from MAC's resident inclusive band SWITCH, and US eco-warriors Reverend Billy and the Stop Shopping Choir. We carried out evaluations on both days and were able to collect useful data from the public which helped us to gain relevant feedback and demonstrated MAC's commitment to environmental issues.

## **2.2.2. Focus on Disability**

### **Common Ground**

A unique, collaborative exhibition that brought together professional artists and students from seven Special Educational Needs (SEN) schools to explore creativity, communication, and play through various expressive mediums. A hugely popular show with a mix of textures, sounds and stories that invited visitors to reimagine what inclusive arts education can be.

### **Eye Music Trust: Colourscape**

Colourscape returned with their fantastical, large-scale outdoor interactive labyrinth of live music and dance performances that featured interlinked chambers filled with intense light and colour. This popular immersive prioritised disabled visitors with an extraordinary experience of radiant colour, sound and movement with specialist artists leading people on a unique journey of the senses.

## **2.2.3. Motherhood Season**

Inspired by the universal theme of motherhood, we curated a broad public programme showcasing the major exhibition Acts of Creation: On Art and Motherhood in partnership with Hayward Touring.

### **Acts of Creation: On Art and Motherhood | 22 June – 29 September 2024**

Felicity Allen, Janine Antoni, Cassie Arnold, Artists Campaign to Repeal the 8th, Bobby Baker, Clare Bottomley, Elina Brotherus, Lea Cetera, Jai Chuhan, Eileen Cooper, Renee Cox, Dorothy Cross, Rineke Dijkstra, Leni Dothan, Catherine Elwes, Tracey Emin, Jessa Fairbrother, Feministo, VALIE EXPORT, Maeve Gilmore, Anna Grevenitis, Ghislaine Howard, The Hackney Flashers, Camille Henrot, Barbara Hepworth, Susan Hiller, Chantal Joffe, Claudette Johnson, Mary Kelly, Liss LaFleur, Tala Madani, Sally Mann, Wangechi Mutu, Ishbel Myerscough, Everlyn

Nicodemus, Catherine Opie, Fani Parali, Celia Paul, Paula Rego, Su Richardson, Jenny Saville, Monica Sjöö, Annegret Soltau, Tabitha Soren, Heather Spears, Hannah Starkey, Emma Talbot, Barbara Walker, Caroline Walker, Carrie Mae Weems, Nancy Willis, Hermione Wiltshire, Mierle Laderman Ukeles, Christine Voge, Del LaGrace Volcano, Carmen Winant and Billie Zangewa.

*Acts of Creation: On Art and Motherhood* focused on the joys, heartaches, mess, myths and mishaps of motherhood through over 100 artworks, from the feminist avant-garde to the present day. It successfully explored lived experience of motherhood, offering a complex account that reveals contemporary issues about gender, caregiving and reproductive rights.

#### **Who cares? Exhibition | 6 June – 22 September 2024**

Balsall Heath CATS, was created to support families with disabled children and young people. MAC Moms group was created as an arts and wellbeing club led by artist Kaye Winwood to create a safe space for the mothers to try new creative ideas and socialise with each other, introducing a series of wellbeing and self-care into their daily routines offering them an essential break from their caregiving responsibilities. The exhibition presented evidence of their creative journey in objects, words and images.

#### **MAC Moms Day Trip to Stratford Upon Avon**

As part of their art club, 37 of the mums went on a trip to Stratford Upon Avon, many of the ladies commented that they had not left Birmingham for many years and some had never been away from home without their children. All enjoyed chance be together and visit heritage sites.

#### **The Queer Motherhood Project**

MAC commissioned artist Dr Hannah Phillips' to make a new play about queer parenting based on verbatim theatre with people who shared their real life experiences of Motherhood and parenting including those unable or choosing not to be mothers.

#### **Bad Mums Cinema season**

MAC Cinema produced a fantastic season interrogating notions of 'bad mum'. Showcasing films rarely seen digitally or on TV, the titles spanned post-war, comedy and horror to present motherhood in all its complexities – the love, the rage, the joy and the never-ending battle against the strictures of the patriarchy. Wonderfully irreverent and witty programming.

## **2.2.4. Exhibitions**

#### **Su Richardson: In Stitches | 8 March – 1 June 2025**

Su Richardson is a pioneer of British feminist art, renowned for her work with crochet, soft sculpture, assemblages from found objects, colour prints and collage. The exhibition was the largest institutional retrospective of her work to date, and the first solo exhibition in her hometown, showcasing the breadth of her fifty-year career. Focus on soft sculptures that explore themes of motherhood, caring for family members, the maternal body, breastfeeding, loss and illness. A catalogue with new essays was produced, the artist's first monologue.

#### **Marcia Michael: The Family Album | 15 March – 1 June 2025**

A powerful and moving exhibition by Marcia Michael, a multidisciplinary artist of Caribbean descent. Michael reimagined her family album to explore the beauty and depth of Black family connections in British history, challenging stereotypes and celebrating Black love and identity. It was curated by Dominique Nok, who we formally assisted with support from Art Fund.

## **PRISM Photography Open 2025 | 15 March – 18 May 2025**

Thea Brown, Sylwia Ciszewska-Peciak, Trev Clarke, Lisa Dams, Urban Deane, Anupama Gamanagari, Jessica Groves, Sam Lee Hayes, Kate Lagan, Matilda Lodge, Irina Mackie, Rebecca Orleans, Angela Otuka, Pierro Pozella, Emily Sharp, Tegen Kimbley, Carl Williams and Sam Wood.

This group exhibition was selected from an open call attracting 130 submissions from professional and amateur photographers. In partnership with volunteer group - PRISM Photography network, a panel of experts selected artists whose work pertinently explored themes of belonging through portraits, landscapes, political and personal stories.

## **2.2.5. Live Arts & Performances**

We presented a huge variety of live work at MAC, showcasing the very best of dance, theatre and comedy. Much of it is touring work that we select from national and regional touring companies, with a focus that directly interests Birmingham audiences.

### **Music**

At MAC we are keen to promote global music that originates from a wide breadth of experience and is more familiar to many of our wonderful diverse communities we serve, examples of this include:

#### **Ryland Caravan**

The festival now in its second year, offered audiences a fantastic chance to enjoy local indie music in the Outdoor Theatre.

#### **Refugee Week: Congolese Independence Day**

A day celebrating the Congolese community through free workshops, children's activities and performance, dance, spoken word and music. Here's an extract from the lead musician,

*"I just want to say a huge thank-you for taking a leap of faith with us and acknowledging our community and artists living and working here in Birmingham, they have never had anything like this before you cannot know how much it means to them and we hope to work with you to grow it for next year."*

#### **Shared Spaces by Xhosa Cole**

We are keen to encourage experimentation at MAC and in August we invited award-winning Birmingham saxophonist Xhosa Cole to explore the possibilities of using the huge white walled expanse of the main gallery as a music studio and to lead audiences on an extraordinary journey through his debut durational artwork with families interacting to his innovative music by being blindfolded, dancing and drawing on the gallery walls.

#### **The Specials with Neville Staple**

We enjoyed a great visitor turn out for local favourites The Specials. On occasions such as these we work closely with catering to ensure bar and barbeque sales were excellent and to deliver a superb party vibe that brings communities together to celebrate music and dance.

#### **Benjamin Zephaniah Celebration**

In a heart-warming tribute to the late Birmingham poet, activist, and actor Benjamin Zephaniah, a special event was hosted by MAC in close consultation with his wife and family. The celebration, which showcased the power of poetry, music, and art, brought together a diverse array of talent to honour Zephaniah's legacy, with performances by Birmingham Poet

Laureates Jasmine Gardosi and Casey Bailey, music from Call Me Unique, and energetic Reggaerobics and Calypsocise sessions led by Kelly and Shelley from Leaf Creative Arts CIC. Jermaine Buchanan served as the MC for this vibrant gathering. We were also delighted to welcome Benjamin's wife, Qian Zephaniah, to celebrate with us.

This wonderful event raised over £1,700 for MAC's Every Child campaign and was organised to celebrate the life and work of Benjamin Zephaniah and to embody his spirit of activism.

## **Theatre**

Our aim is to programme work that speaks directly to the lived experience of our diverse audiences and shares ideas with neighbours who may be unfamiliar with these stories.

### **Family work**

We are the number one arts venue for family work in Birmingham with live performances drawing in great numbers across different genres and lively entertainment from Mr Bubble and Barbara Nice Comedy shows to specialist work for disabled children.

### **You Are The Sun by Hurley Burley**

Described as the first opera for babies this intimate interactive show was a popular inclusion in our early years programme with sell out shows.

### **Dance in the Dark by Sonrisa Arts**

Showcasing a new piece of interactive dance theatre for young children set in a huge den, with live music and touch and smell sensory engagement. The show explored themes of play, facing our fears and bedtime routines. The design and interactive nature meant capacity was limited and all shows were billed as relaxed and inclusive for families to feel happy to leave and re-enter the space if they needed to with a break-out/chill-out room available if needed.

### **Christmas show Finding Santa by Little Angel Theatre**

Regrettably the show was cut-short due to illness in the cast of performers and therefore it did not achieve its financial target, ending earlier than expected with ticket cancellations. We offered customers tickets for alternative film programmes as a good will gesture.

### **The Boy on the Roof by Vamos Theatre**

Championing Midlands-based Vamos, whose unique brand of mask and physical theatre explored intergenerational friendship through the lens of neighbours with neurodiversity.

## **New Talent Support**

### **Lyndhurst Memories - MAC's Theatre Commission 2024**

CJ Lloyd Webley, Birmingham theatre-maker, was the recipient of MAC's first Theatre Commission Award. We received 120 applications from an open call opportunity directed at non-NPO theatre makers. Webley's project explored the history of the former Lyndhurst Estate in Erdington, where he grew up. The award provided a £10,000 grant and studio space. It was created in response to the challenges facing the theatre sector and to help strengthen the resources available for local talent.

*CJ Lloyd Webley said, "I'm absolutely thrilled to have secured the MAC Theatre Commission for my Lyndhurst Memories project! This opportunity fills me with immense joy and inspiration. The project aims to explore and celebrate the rich history and stories of the formerly known Lyndhurst Estate in Erdington. Through immersive storytelling, VR and creative exploration, we'll delve into the memories, experiences, and legacy of this cherished community".*

MAC is committed to providing an annual Theatre Commission for new projects over the next five years, to encourage theatre-makers to find stories in their communities for original work. This is one of the ways we can support theatre-makers to take risks and be experimental.

## **2.2.6. Cinema**

### **Expanding the Frame (2023-2026)**

This was MAC's second year in a three-year programme supported by Film Hub Midlands entitled Expanding the Frame, with a strategic mission to significantly improve access to cinema for disabled audiences and often co-created with them. The aim is to offer communities with physical and/or mental conditions and those identifying as D/deaf or neurodivergent to experience film in an inclusive environment.

**Touch screen** events focused on offering relaxed and accessible screenings for people with complex needs. Following up on the recent generous donation of £10,000 from a long-time MAC cinema patron, we have been able to update our audio description system in the cinema. We have also partnered with a hearing loop company Ampetronic to make our system more effective when it comes to visually impaired audience members.

### **Partnerships and special guests**

We have a strong relationship with the Midlands branch of the Royal Television Society (RTS) and through the year hosted a range of television premieres with numerous well-known names including Ricky Tomlinson, Sue Johnston, Joe Lycett, Don Warrington and Guz Khan. We have hosted events focused on the Midlands filmed ITVX drama Joan and the finale of the long running BBC series Doctors, whilst other special guests across the year for various Q&A screenings have included Tim Key, Alex Horne and Noddy Holder.

### **NT Live**

NT Live benefited from returning to the main theatre (after RAAC), allowing us to do encore screenings with a lot more seats available to sell, beginning with an encore of Nye as well as the return of the record-breaking NT Live title Prima Facie. We also increased the amount of accessible NT Live screenings available, including descriptive subtitles for all new titles and also liaising with NT Live about supplying subtitled trailers.

### **Festivals**

We worked with a number of different festivals across the year, welcoming leading black film festival S.O.U.L. for their first event outside London's Southbank, as well as SAFAR, presenting a number of titles from the world of Arab cinema, including a film from the 1980s that marked the very first feature made by a Palestinian filmmaker. The screening of Palestinian documentary Bye Bye Tiberias also included audio description and descriptive subtitles, and on-screen captions for the post-screening Q&A – an example of how we are always trying to ensure that our events are as accessible as they can be within the budget that we have. Star Nha Ease was the first time that this touring selection of Vietnamese cinema had travelled to Birmingham.

We also continued our long-standing relationship with the Screening Rights Film Festival, Japan Touring Foundation and the Birmingham Indian Film Festival, and exclusive screenings as part of the BFI London Film Festival on tour. The latter giving us free advertising via the BFI's large marketing reach and connects us directly with the best cinemas in the UK. MAC's very own Square Eyes festival returned in November for the fourth year with audience numbers very strong.

### **Family Film**

During this year we introduced a new payment option for families with some screenings offering pay-as-you-feel on Saturday mornings to keep our cinema affordable for families. We also continued our very popular Colour Box screenings in partnership with Flatpack, taking place monthly and including drop-in workshops themed to the film screening.

## **2.2.7. Learning and Participation**

- A massive 50,075 participations paid to engage in an L&P course.
- 4,664 people took part in a term-time and adult short course
- 68 Artist Tutors delivered 596 courses
- 547 people took part in a children, family and young person's course
- 20 Life Models. Recruited 6 new Life Models to increase the diversity of the team
- 5 training events for Artist Tutors and Life Models delivered
- Recruited new post of Learning and Participation Manager to develop digital ambition
- Increased course numbers due to demand e.g. Stained Glass, Life Drawing and Singing
- Adult Short Courses sold very well consistently delivering above forecast sales

*"Every class I've taken throughout the course ALWAYS raised my mood, made me feel better, entertained and more confident in general. I felt connected and very present."* Introduction to Improv, student feedback Spring Term 2025.

### **Girls That Geek**

Our annual event exploring opportunities for women working in art and technology was popular once again. A diverse line up of speakers and exhibitors took part including Birmingham Open Media, BCU Lecturer of Creative Technologies Sophie Hedderwick, mixed media artist Alex Billingham, Allie Litherland, Shaka Tafari, Pamela Aculey and Toni Grehan. 82 students and 22 teachers/parent from schools and home educating families took part.

### **Reframe**

The Reframe project is part of a national school's initiative in collaboration with Southbank Centre, London, and Factory International, Manchester. MAC's artists have been delivering full-day workshops to Key Stage three students across four schools in Birmingham. Reframe for 2024/25 was fully delivered. One class from four secondary schools took part totalling 120 students. The project delivered five workshops per school plus a visit to the Hayward Gallery, London, for all participants. All students took part in a showcase event at MAC as a celebratory end to the project. The digital zines produced by the project were provided to Southbank for inclusion in an online gallery.

### **Made at MAC Exhibitions**

#### **Working with Metal: Stained Glass and Jewellery Exhibition March-May 2025**

The exhibition featured over 70 pieces of work from 52 participants, and five of MAC's Artist Tutors, showcasing the full breadth of metalwork produced in MAC's studios. Partnerships were made with Birmingham Assay Office and Birmingham Museums Trust.

### **Training and Development**

With a workforce of 68 Artist Tutors and 20 Life Models the L&P team has a huge opportunity to support, upskill and develop a large proportion of MAC's workforce. The L&P team delivered 5 training events in 2024 to improve confidence, relationships and teaching skills of the tutors. Life Models were invited to meet for the very first time for a social/training event. As a result,

we saw standards around timekeeping, behaviour and communication improve across the whole cohort of colleagues.

## **2.2.8. Community Programmes**

### **National Refugee Week**

This year's refugee week 'MAC takeover' by music company Celebrating Sanctuary was a huge success. In addition to the music, we welcomed a number of stallholders from across the city as well as, performers and of course - the community to come and experience an entire day of different cultures and backgrounds, sharing their experiences as refugees and asylum seekers from Restore and Migrant Action.

*"It's great that MAC showcases these different cultures, I love it." – Attendee*

*"The different types of acts and the diversity in the acts is always so great to see!" – Attendee*

### **Light Up Festival & Lantern Parade in Cannon Hill Park**

In partnership with Autin Dance Company we provided eight weeks of lantern making workshops with refuge and newly arrived families. All the participants joined us for a dazzling lantern parade through the park. Around a thousand members of the general public joined us, for the festivities. Overall, the event was a resounding success and flagged the huge appetite for these types of free high-quality participatory and creative community events.

### **Neighbourhood Forum**

We established a new advisory group of local community researchers who were successfully recruited to carry out research in communities, that led us to learn more about our neighbours' perceptions of MAC. Our aim is that their recommendations inform us strategically about the ways in which we can work more successfully and sensitively to local people, who may not ordinarily visit us and to understand their interests and what would make us a compelling part of their lives.

### **Iftar Event 2024**

It was the second year MAC has hosted the iftar, with one of the events broadcast live on the BBC Midlands Today. We were honoured to host two special Iftar events, sharing food, prayer, and joy with over 200 members of our local community during the Muslim holy month of Ramadan. One Iftar focused on networking and business, whilst the other was for families. We were grateful to Ahmed Said from Student's House Mosque, Balsall Heath, for leading the call to congregational prayer. MAC teamed up with local business Roti & Curry Bazaar, Alum Rock, for a special Iftar menu served in KILN.

To mark Ramadan, MAC commissioned local artist Haseebah Ali to create a new artwork, a public mural of a pomegranate tree, 'Garden of Paradise'. The pomegranate is seen as a heavenly fruit in Islam, while the tree and its blossoms are connected to MAC's surroundings in Cannon Hill Park. The popular artwork remained in place until June after Eid al-Adha. Haseebah Ali said it was important her work reflected elements of her faith,

*"It is important because when you look around the community it is so broad and vast, so we should really support the people that come to MAC, they deserve to see artwork that they can relate to and feel warmth when they look at it".*

### **Culture Club**

Culture Club, our monthly art club for over-65s, has been well-attended. The group nurtures skill-based learning often focused on their love of craft-making and music. This programme is a brilliant opportunity to invite younger local artist and musicians to co-create with the group. We are excited to be collaborating with students from Birmingham City University, who have been devising imaginative workshops for Culture Clubbers as part of their course. A number of the students have also started volunteering for MAC.

### **Bedlam**

Bedlam is an arts and mental health programme by MAC, The Rep, Sampad, Red Earth Collective and Birmingham and Solihull Mental Health Foundation Trust. At MAC we ran workshops, which had a significant impact as a safe space for connection and creativity for women who struggle with their mental health. The programme culminated in a creative showcase that featured sharing, performances and workshops.

### **Generation Q Collective**

A partnership project between MAC and queer performance maker Dr Hannah Phillips. This collective of emerging LGBTIQIA+ artists explored their gender and sexuality intersected with other areas of their identity race, ethnicity, class, disability, faith and mental health through experiment performance culminating in the showcase 'Clear My Throat'.

### **Birmingham Public Health & MAC**

In March 2024, we secured a new exciting post, in partnership with Birmingham City Council's Public Health Team of Public Health Researcher based at MAC whose role it will be to explore the benefits of active, creative participation in arts and culture in reducing modern health inequalities in the city. This role will support BCC's ambition to become a 'Bolder Healthier City' with a new review to take place in 2030 when findings from this post and three other researchers based across the city investigating how culture can be as a key driver to tackle health issues. The role began in May 2024 and is fully funded until March 2026.

## **2.2.9. MAC Makes Music**

We give young people who face barriers the opportunity to make their music on their terms. With a focus on alternative provision, our award-winning programme gives 11-25-year-olds the chance to meet, create music together and express themselves through music technology, song-writing and performance. There are a number of reasons our participants identified as barriers to accessing arts and music (gathered through sign up data) these included – experience of economic deprivation, English as an additional language, exclusion from school, at risk of offending, ill health, LGBTQ+, looked after/experience of the care system, mental ill-health, partially sighted, physically disabled, refugee, rurally isolated, sensory impairment, SEN, young carer, young offenders. MAC Makes Music is principally funded by Youth Music.

- MAC Makes Music worked with 470 children and young people
- Employed 15 freelance musicians, three of which have been emerging music leaders
- We worked with 32 partners - seven Music Education Hubs, six Youth Justice support services, 11 music organisations and eight community/health support agencies.
- We provided music making sessions in five education settings including; Primary PRUs and specialist SEMH schools.

We delivered some 300 music sessions across the West Midlands:



- Offered performance opportunities to 100 children and young people.
- Offered professional recording studio opportunities to 80 young people.
- Expanded the reach of the Youth Justice work into Solihull, Sandwell and Birmingham. This includes regular 1-2-1 music development sessions, on-site recording/production sessions, performance opportunities at professional gig venues and on-the-job work experience via live gigs.
- Hosted three regional conference/performance events at MAC - Birmingham Music Education Hub schools conference (140 schools), Winner Up and Summer Sounds.
- Youth Voice: Produced and presented our report 'Beyond Youth Voice in Music Education' at the annual Music Mark Conference in Nottingham (Nov 2024)
- Supported 11 young disabled and non-disabled musicians to rehearse and perform together on a monthly basis as lead partner for NOYO Birmingham.
- Supported six SEND young people in weekly song-writing and performance development sessions via in-house project SWITCH.

## 2.3. How We Funded Our Activities

MAC's activities are funded by the generous support we receive from Arts Council England and People's Postcode Lottery and many other trusts and foundations, by individual donors and a commercial agreement with Birmingham City Council; by our customers through the tickets they buy; by customers of our café, bar and retail outlet; and by those who hire our facilities for their events.

Of our total income, 62% is raised through our own arts and trading activities.



Looking at each major source of funds in turn:

### 2.3.1. Fundraising, Trusts, and Foundations

MAC is committed to fundraising best practice and abides by the Fundraising Regulator's key principles: to be legal, open, honest, and respectful. MAC is registered with the Fundraising Regulator and no complaints have been received to date. As well as our established major stakeholders, a diverse range of regional and national funders generously supported projects, exhibitions, and events across the organisation. This year, we continued to nurture meaningful relationships with regional and national trusts and foundations, welcomed new supporters, and developed campaigns to educate and inspire our audiences and visitors. People of all ages and abilities proudly support MAC, and our fundraising promise to audiences and visitors means that we always treat people fairly, never place anyone under undue pressure to give, or take advantage of someone's lack of knowledge/need for care.

The practical steps we take, but are not limited to, include:

1. Making our fundraising materials clear and accessible.
2. Being alert to the signs that someone is confused or vulnerable and not accepting a donation from someone who lacks capacity to decide to donate.
3. Avoiding persistent asks or pressuring for a donation if someone is indicating they do not wish to engage.
4. Ensuring all MAC marketing material contains clear instructions on how a person can be removed from mailing lists.
5. Considering any additional needs, a person has to enable them to make an informed decision.
6. Ensuring the relationship between supporters and prospects is safe and fundraising is fair is vital to our charity. Any Safeguarding incidents would be identified and reported using MAC's Safeguarding Policy.

## **Major Stakeholders**

### **Arts Council England (ACE)**

MAC is a National Portfolio Organisation (NPO) within the funding programmes of Arts Council England (ACE). The new agreement started on 1<sup>st</sup> April 2023 until March 2028. Our annual grant is set at £752,748. A 1.61 % increase for 2025-26 was welcomed.

### **People's Postcode Lottery (PPL)**

The support from People's Postcode Lottery, Postcode Culture Trust, enables MAC's inclusive and diverse art, community, and participation programme to thrive. In 2024-25 MAC's grant of £800,000 directly supported exhibitions, performances, and workshops across the centre. In 2025-26 MAC will receive an increased grant of £900,000 from the Postcode Culture Trust and we are incredibly grateful to PPL for their continued and transformational support.

### **Birmingham City Council (BCC)**

We do not receive any grant or investment from the culture or arts department of the local authority. We have a formal agreement until 2028 with BCC to share income derived from Cannon Hill car parking fees after the deduction of capital and operating costs.

## **Trusts & Foundations**

Regional and national Trusts and Foundations continue to make a significant impact on MAC's programme and building.

### **Build It**

A transformative grant of £50,000 from The Baring Foundation is enabling the launch of Build It — a new creative project connecting Black men at risk of, or experiencing, mental health challenges to meaningful artistic experiences.

### **Youth Justice**

£36,500 from The National Lottery Community Fund's Million Hours Fund is supporting MAC Makes Music's vital Youth Justice programme. Co-designed with young people at risk of offending and gang involvement, offers music production workshops.

### **Bold Visual Arts**

MAC is grateful to the MAC New Work Trust for a generous £30,000 investment in our visual arts programme. We also thank local supporters - MK Rose Charitable Trust, The Saintbury Trust, and The Roughley Trust, for their continued commitment to our exhibitions and public programmes.

### **Beautiful and Useful Spaces**

MAC's accessible, welcoming, and creative spaces are made possible through capital support from Trusts and Foundations. Sincere thanks to the Roger & Douglas Turner Charitable Trust, The Rowlands Trust, and The Worshipful Company of Ironmongers for investing in the future of our building.

### **Corporate Gifts**

MAC's major corporate partner, Eversheds Sutherland LLP, have renewed their support for another three years. Their continued sponsorship ensures MAC's exhibitions remain open and free for all. In recognition, Eversheds Sutherland is proudly acknowledged across all major solo and group shows throughout the programme.

### **Individual Giving**

In a challenging fundraising climate, MAC's audiences and visitors continue to show their support. In 2024/25, MAC raised £45,406, including Gift Aid, through individual donations.

## **2.3.2. Income from Activities (Ticketing)**

We operate a dynamic pricing structure across ticketing with Bronze, Silver and Gold options. Overall, full ticket prices to our live performances and cinema/live event screenings range from £7 to £27 (or up to £30 for high-profile events). To improve access and to reward MAC's loyal/early bookers, we continue to honour our commitment to making at least 10% of all our tickets available for £10 or less, with additional concessions for under 16s and complimentary tickets for companions/carers. We monitor sales weekly and share information with Trustees.

Last year we introduced a new method of pay-what-you-can for some community-focused events to encourage families in particular to engage with new work. To book online we recommend pay-what-you-can range from £2 through to £8. Any ticket transaction online or in person regardless of the ticket price incurs an admin charge of £1.95 per ticket.

All our exhibitions remain free entry, though we are being more assertive in requesting donations at the point of entry into our exhibition spaces with a recommended ask of £3.

Tickets for MAC's Learning and Participation programme continued to span a broad range of prices, from £30-£300, according to the length and nature of the course. We now operate a popular 'Save-A-Space Scheme' that allows customers to pay for their tickets in instalments to make it more convenient for budgeting. As expected, in July 2025, we have had a higher number of reservations making up 66% of overall transactions for termly courses for 2025 (this is an increase from 2024/25 reservations that accounted for 59%).

To open up MAC's programme to as many visitors as possible we have improved the process for booking accessible tickets by introducing a simple way to do this online. We offer free companion tickets.

### 2.3.3. Trading Activities

Our trading activities include our onsite catering (the café KILN, express tills and bar), together with our events hire business and retail activities. In 2024-25 MAC's trading operations contributed around £608,300 to the Charity by means of a management charge and gift aided profit, stronger than originally expected and achieved despite the challenges of the cost-of-living crisis and inflationary pressures on supply costs.

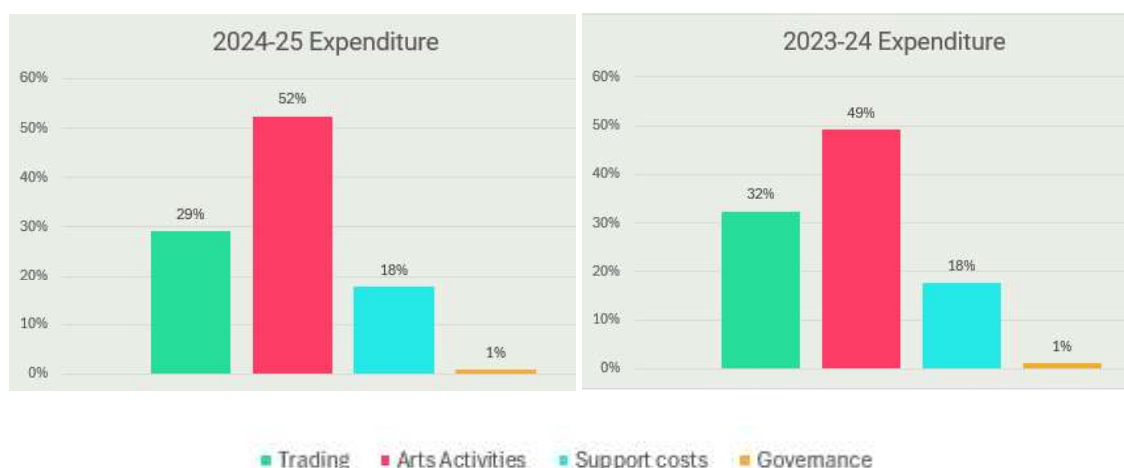
Building footfall remained consistent with the previous year; however, ticketing income and participation in arts activities increased, indicating a positive shift in engagement. We have also strengthened the integration between our catering, retail, and artistic programmes to better capitalise on growth opportunities.

Events hire continues to be a vital source of earned income, reinforcing the value of our artistic programme and highlighting MAC as an attractive venue. Looking ahead, we will continue to develop opportunities across site, focusing on both creative and commercial outcomes.

A key development during the year was a restructure that expanded capacity and sharpened operational focus, positioning us to drive business growth more effectively. Additionally, Managers and the Board collaborated to produce a robust three-year business plan, offering a structured and sustainable framework to guide our progress.

## 2.4. How We Spent Our Money

The largest block of expenditure (52%) is on arts activities. 50% of this expenditure is salary costs. There is information about how these resources are spent on areas such as Learning and Participation, Community Programmes and MAC Makes Music in the sections earlier in the report. 29% of the expenditure is attributable to Trading activities, 48% of this is salary costs (see Trading Activities note).



## **2.5. The Impact We Have Had**

### **2.5.1. Achievement of Public Benefit**

As a charity, the Trustees recognise their legal duty to report on MAC's public benefit in their Annual Report, as part of a requirement given particular emphasis by the Charities Act 2011 to clearly demonstrate that the Objects of the Charity are for the public benefit. In this context, the Trustees accept that being a registered charity is a privilege, not a right. In setting out in this Annual Report how the Charity currently meets this requirement and is reflected in its future plans, the Trustees assert that the Charity is compliant with the requirements of the Charities Act 2011; having due regard for the public benefit guidance published by the Charity Commission.

MAC's benefit to the public is wide-reaching. Our services ensure the public have a positive relationship to art and artists and that there is a robust participation model in place that encourages collaboration and skill-based learning throughout our work. Moreover, we support artists through training and paid employment to participate with communities in a way that feels relevant to their everyday lives.

In reviewing its objectives and planning its activities, Trustees have considered the Charity Commission's guidance on public benefit and fee charging. Trustees, Executive and Managers have continued to hold its business plan under review, honing future plans in the light of operational experience, future public investment prospects and the strategic context for its future activities.

In setting the level of fees, charges, tickets prices and concessions, the Board gives very careful consideration to the accessibility of MAC for those on lower incomes and those with specialist needs and consults with a range of Birmingham residents, visitors and customers as to the affordability of its services. Ticket policies are available on the website and reviewed annually. We dynamically price tickets to ensure affordability and our average ticket price in 2024-25 was £10, far below the average prices in Birmingham venues.

MAC's venue continues to enable an increasingly wide range of arts, learning and participation activities and provides a base for substantial outreach activities through touring and community engagement, especially in communities with little access to arts participation. These activities are designed to meet the interests of all, and embrace specific strands for children, young people, families and people with disabilities.

MAC continues to welcome an explicit reporting of public benefit and how it is aligned with the Objects of the Charity and gives expression to the accomplishment of public benefit throughout this Annual Report and especially when reporting below on its performance against objectives and other achievements.

MAC identifies the most significant benefits to the public that arise from its objects are to:

- Provide opportunities for the enjoyment of culture, offering a wide variety of activities for the general public (near to 800,000 visits in 2024-25) to support the special significance and impact that the arts has on people's lives.
- Provide a range of informal learning programmes and resources for adults, families, children and young people to participate with professional artists and learn more about arts and culture (near to 50,000 participations in learning at MAC in 2024-25).

- Maintain all-year-round public access to MAC's building, open freely for visitors to attend from 9am to 10pm daily.
- Ensure that MAC's services, activities and building are inclusive and accessible for the benefit of all visitors particularly those with disabilities.
- Provide paid employment opportunities for a diverse and skilled workforce of c.220, in addition to work experience, currently for 25 people.
- Actively strengthen the cultural life of Birmingham and champion its rich identity, to supporting social, community cohesion and sense of place.

## **2.5.2. Communications & Digital Engagement**

We continue to experience high levels of engagement with MAC through our social media and other communications channels while consistently monitoring the external environment to evolve our delivery and practices in line with emerging trends, themes and audience behaviours. Highlights included:

PR: We had 990 articles/items of press coverage with an advertising value equivalent of £6.5 million and a PR value £16.2 million. AVE is supplied by our media monitoring service, an independent company. PR value is calculated as standard practice as being x2.5 of AVE.

E-Newsletters: We produced 175 e-newsletters covering performances, cinema, exhibitions, family and special event highlights, which resulted in £53k+ of direct sales on our website. We have sent a total of 504,281 emails (resulting in 385,795 opens), with a unique open rate of 46.35%. We introduced our first Spektrix/DotDigital program for unused credit reminders which has had a ROI of 550,00%, generating £2.2k+ direct revenue.

We introduced dynamic content on our emails, meaning we could tailor donation and sales messaging to customers, depending on their past booking and donation behaviour, strengthening our relationships with our audiences.

### **Social Media**

We have achieved over 5.7 million impressions across our social media platforms:

- 24.7k Instagram followers (+27% increase from last year)
- 26.7k Facebook followers (+2.7% increase from last year)
- 52k+ views on our YouTube channel, with an increase of 120 subscribers
- When capacity allows, we have also tried to produce content for MAC's TikTok - (+673% increase in engagement from last year).

### **Website**

On MAC's website, we had over 271k+ active users.

During 2024-25 we soft launched MAC's Accessible Bookings online. Since this has gone live, we have had 136 users self-tag their accounts to access this new feature. The marketing and comms team has further activity planned this year to promote Accessible Bookings online to current and new audiences.

In 2025 we moved to Spektrix payments which enabled our website customers online and at MAC to pay using Apple and Google pay.

### 2.5.3. Environmental Impact

Rooted in our local economy and communities, we are committed to ensuring our work has a minimal impact on the environment and actively promotes sustainable ways of working. Leading on much of our strategic work are MAC's Green Champions group our staff volunteers who meet regularly to discuss how to make MAC more sustainable. Throughout the year our Green Champions delivered against our Environmental Policy and Action Plan achieving the following key highlights:

- MAC's arts programme continued to reflect environmental themes with highlights such as Waste Age exhibition: a collaboration with the Design Museum which highlighted the current environmental crisis and design's role in the problem. Our learning programme held courses linked to Sustainable Fashion Week, and MAC's annual Big Green Weekender, popular celebration of creativity and community action.
- We improved our public and staff recycling bins for better segregation of waste, and upgraded waste collection arrangements for better recycling.
- We continued to promote sustainable travel with a campaign for staff during Travelwise week. For Bike Week and Clean Air Day we worked with ecobirmingham who provided Dr Bike sessions
- MAC staff engaged with several Arts Council England initiatives led by Julie's Bicycle including Capital Investment Ready, Creative Climate Accelerator, with board involvement
- MAC's trading arm embraced sustainability, gaining Silver accreditation from Green Meetings. We were proud to be chosen as the venue for Sustainable Business Series Conference.
- We were invited to speak at a Theatre Green Book event at the RSC about greening theatre buildings, using examples of MAC's sustainability journey. We have a positive relationship with the newly formed Friends of Cannon Hill Park;
- MAC lead Sustainable Arts West Midlands which continues to attract new members and the SAWM website launched in 2024.
- MAC's Comms Team presented to Culture for Climate Scotland on audience engagement and environmental sustainability. We continue to promote environmental messaging to staff and customers



## 2.6. Our Plans for Next Year – 2025-26

The key priorities for MAC in 2025-26 include:

- further developing our new business plans for the arts centre;
- progress with the digital and technological development as planned;
- improved public consultation across arts and commercial;
- salary structure review;
- implantation of high quality, popular arts programme

We begin the year with renewed energy and the launch of MAC's new three-year business plan, *Inspiring Growth 2025–28*. We have set ourselves ambitious income targets against commercial and fundraising, necessary to meet our needs. Progress will be closely monitored by Trustees and senior management through clear reporting against KPIs. This year we are sharpening our communications with audiences to make sure MAC remains irresistible and that our services are popular, easy to access and diverse in their range.

We start the summer with a lively programme for our Sari Season, a vibrant celebration inspired by the prestigious international exhibition from the Design Museum, London: *The Offbeat Sari*. This showcase of contemporary Indian fashion is free to all visitors. Much of the activities—including workshops, talks, music events, and performances—has already sold out ahead of the exhibition launch. Our partners, including CBSO, SAMPAD, and the Indian Film Festival, play a key role in delivering this wide-ranging programme. Together, we reinforce MAC's reputation for presenting the highest quality arts whilst championing women's voices in South Asian culture. The autumn and winter seasons are confirmed, with ticket sales to date on target.

A major aim is to develop our infrastructure (capital and technical) so it is fit for purpose and offers us the proficiency of meeting our ambitions both artistically and commercially. Our net zero ambitions and ongoing commitment to sustainable practice are central to our long-term planning, this feeds into our commitment to upgrading our technology and infrastructure to support the growth required to meet our strategic goals. To lead this work, we have established a dedicated Digital Transformation Team, which will oversee progress and report directly to the Board.

Capital plans are also underway to refurbish our retail spaces, enhancing visibility, expanding stock, and creating improved opportunities for artist sales. In addition, we are developing proposals for essential renovations to the Art Terrace—aimed at resolving drainage issues, improving accessibility, and introducing a new commercial offer.

Workforce development remains a key focus. We have seen positive outcomes from the introduction of Wellbeing Champions, regular staff training days, and organisation-wide Town Hall events. Looking ahead, a comprehensive grading and salary review will be a major area of work in the coming year, reinforcing our commitment to fair and supportive employment practices.

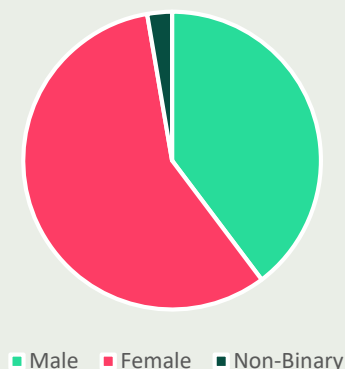
## 2.7. Our People and Organisation

MAC's staff are our most valuable asset and the key means by which we can achieve our objectives. We employ a diverse range of people across the organisation to help us successfully deliver all aspects of our work, and to ensure that we meet the needs and interests of the communities that we serve.

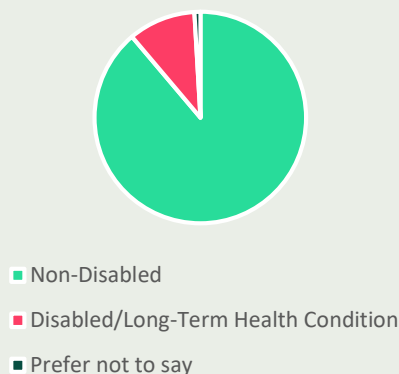
### 2.7.1. Equality, Diversity and Inclusion

MAC is an equal opportunity employer and actively supports human rights and all equality legislation. At the heart of our approach is a commitment to valuing diversity, treating people with dignity and respect, eliminating discrimination and promoting social cohesion through our organisation and artistic programme. We respect and value people's differences in order to help everyone achieve more at work as well as in their personal lives so that they feel proud of the part they play in our success. The following key statistics show the make-up of our workforce as of 31 March 2025:

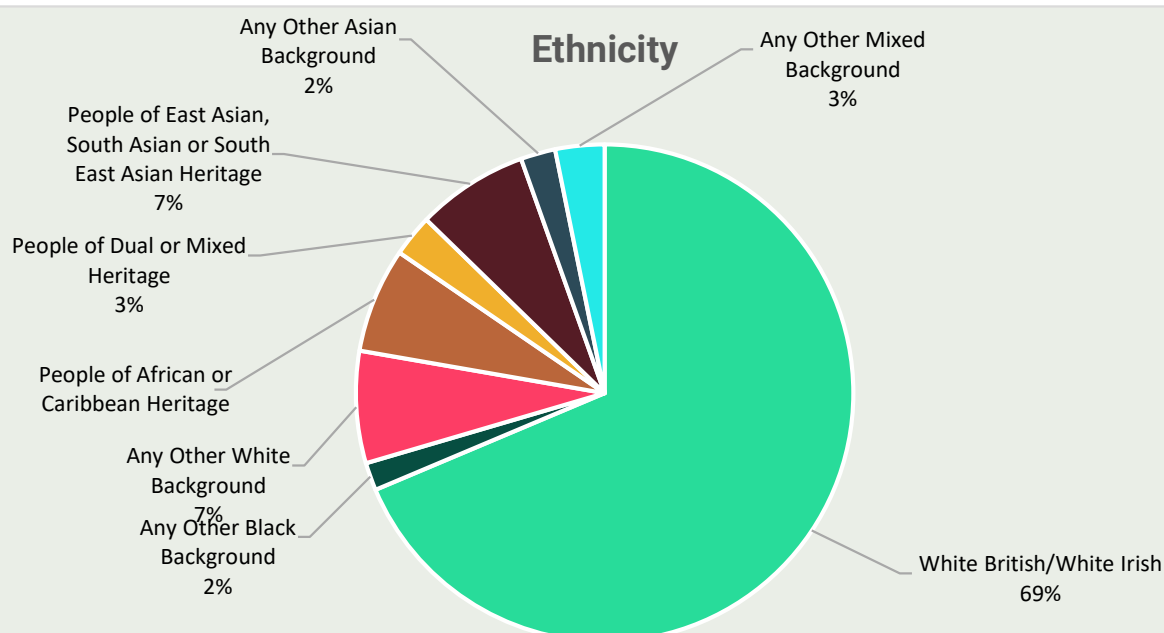
#### Gender Identity



#### Disability



#### Ethnicity



Wellbeing has been a key focus of our work in 2024-25, by understanding and overcoming factors that influence health and wellbeing of our team we can bring about a range of benefits for both individuals and the wider organisation. We have recruited and trained 4 Wellbeing Champions from across our teams to help us achieve our goals set out in a Wellbeing Strategy for the organisation:

- To create a workplace culture that promotes and supports the health and wellbeing of all staff
- To raise awareness of the importance of taking care of yourself both physically and mentally
- To highlight common issues associated with poor mental and physical health
- To provide support to line managers in how to manage poor mental and physical health
- To signpost everyone to reputable sources of information for help on mental and physical health and wellbeing

We have also continued our work on All Of Us, MAC's project aimed at how we can better recruit, support and retain our disabled workforce. We have undertaken significant employee and stakeholder consultation and produced a clear action plan which has enabled us to increase representation of disabled people in our workforce. The project will culminate in 2025-26 with a set of principles that will continue to guide our future action in supporting our disabled team members as well as our wider organisation.

### **2.7.2. Remuneration Policy**

The Board of Trustees has overall responsibility for MAC's pay policy and for the salaries of executive directors. The HR Committee oversee the annual inflationary pay review process within the budget agreed by the Board. Our policy is to pay rates which are competitive - recognising the difference between charitable and trading activity, we compare the salaries we offer against charitable and commercial sectors as appropriate and undertake regular benchmarking exercises.

### **2.7.3. Safeguarding**

At MAC safeguarding does not just apply to those we support through our activities, but to our staff and volunteers as well and this is reflected in the range of safeguarding issues that we provide support with. Our safeguarding policy is owned and agreed by our Board of Trustees and safeguarding is a fundamental part of MAC's work. We audit our safeguarding work internally and seek continuous development of our safeguarding approaches.

### **2.7.4. The Future**

In 2025-26 will undertake a review of our pay structure with support from specialist consultants. Pay is important, and it is one of the largest costs for MAC. The review will help to ensure that our roles are correctly aligned in the structure with regards to the skills and knowledge required for them, that we have a clear understanding of the market rate for each of our roles and a robust system for evaluating roles to ensure comparison like for like across MAC. This work will help us to remain competitive as an employer and ensure that we are adequately and equitably remunerating our employees for their work.

## **2.8. Financial Review**

FY25 was financially challenging resulting in a deficit for the year of £451,272 (2024 – surplus of £53,968). Whilst we planned that spend on restricted funded arts activity would exceed related grants, donations and other income by just under £100,000 (reflecting investment in our excellent arts programme) we did not expect to incur a deficit on unrestricted funds. Towards the end of the financial year we were informed that MAC's share of the income from the adjacent car park had been significantly overstated in a previous year and would, therefore, be clawed back. Provision has also been made for an historic VAT liability, identified at the year-end through a review instigated by management. We are currently seeking greater clarity as to future car park income levels and have improved procedures and strengthened controls over accounting for VAT.

### **2.8.1. Investment Policy**

In formulating an investment policy, MAC has historically recognised that whilst it may have surplus funds to invest, these are likely to be called upon in the short to medium term. The policy has to date been to hold investments in liquid funds, so they are available to meet predicted cash-flow needs. In selecting suitable cash deposits, the policy is to maximise the return and maintain low transaction costs, whilst ensuring high levels of capital security by minimising credit risk and minimising interest rate risk.

Deposits and interest rates are reviewed regularly by the Finance and Governance Sub-Committee. The MAC utilises Flagstone cash management platform and, to date, £1.4m has been invested in a variety of short to medium term investments. The Finance and Governance Committee approves investment choices, with criteria that no investments are made for longer than 12 months, and the banks/investment choices are set as bbb+ rating or above, and no more than £200k is to be invested in each fund.

A mix of instant to 12-month investments were chosen, across 8 investments, with circa £11k accrued in interest at the year-end which will materialise when the investments mature.

### **2.8.2. Reserves Policy**

The reserves of the charity are divided into restricted funds and unrestricted funds in accordance with charity legislation.

The restricted fund represents money given to MAC for specific capital and project work within the overall aims of the organisation. The funds are analysed between capital and projects, as set out in notes 15 and 16 to the accounts. Grants and donations received for capital purposes are accounted for as restricted funds and depreciation of the underlying fixed assets is charged to these funds over their lifetime. Project funds will usually be spent in full within 5 years. The balance on the long-term capital funds represents funds received from donors towards the MAC/Sampad Building Project and for the purchase of fixed assets, less the depreciation charged on an annual basis. Over time these reserves will reduce to zero as the assets are fully depreciated.

The balance on restricted funds as of 31 March 2025 of £3,603,043 includes a balance of £1,852,472 in respect of the capital redevelopment project and other capital projects and £1,195,250 of grants and donations received in respect of specific arts projects. These grants

and donations include sums from a range of supporters towards future commissions, productions, co-productions, exhibitions, and events as part of MAC's longer-range artistic programme.

The MAC sustainability fund now holds £555,321 at year end for the purpose of ensuring the long-term continuation of the charity. This fund is earmarked to support MAC going forwards by underpinning both MAC's operational needs and future capital projects.

### **Unrestricted Funds**

The unrestricted reserves figure of £713,484 has been reviewed by the Trustees. They have determined, on the basis of detailed budget and financial planning through to the end of the financial year that this level is adequate to maintain financial stability.

MAC's policy is to hold an amount equivalent to at least two months of budgeted expenditure in unrestricted reserves. This recognises that significant risks remain around cost of goods and services rising and the economic environment. £300k has been designated from the above balance for this reserve.

### **2.8.3. Going Concern**

The Board of Trustees are required to consider whether Midlands Arts Centre has sufficient current and forecast cash resources to cover the working capital requirements of the company for at least 12 months from the date of signing this report and financial statements. The Trustees have considered the effect external pressures such as the cost-of-living crisis, salaries and inflation. Having assessed how these factors impact the going concern position, they believe the charity will continue to operate for a period of at least 12 months from the date of signing these accounts.

In coming to this opinion, they have considered:

- Given the level of reserves and cash holdings the Board considers that there are sufficient resources available to the Charity to sustain the operation in all likely scenarios and the Charity will be able meet all the requirements of our obligations;
- The strong level of funding already confirmed until end of financial year 2025-26 with key partners; Arts Council England, Players of the People's Postcode Lottery and Youth Music;
- MAC has a strong reliance on Arts Council England revenue grant (18%). At our most recent risk assessment review (May 2025) the organisation has been rated as having minor risk, with overall comment "organisation demonstrates strong leadership and governance in Board papers/reports" "with strong activity and investment plans reflecting growth";
- The continued financial support from longstanding major trusts and foundations through 2025 into 2026 and the investment of new grant-givers;
- The strong cash balances and good level of reserves, enough of which are unrestricted and available to absorb short-term deficits, if required;
- The charitable company's renewed business plans and operating basis.

All these factors allow the Trustees to be satisfied that the charitable company remains a going concern, and as such, the financial statements have been prepared on a going concern basis.

## 2.9. Managing Our Risks

We are committed to sustaining a confident and skilled organisation and providing the best possible creative environment in which to develop our work at MAC. We regularly monitor risks to enable the successful delivery of our artistic programme and use a range of self-assessment tools, external evaluation and peer review to help us ensure our work reaches our own high standards, supporting excellence whilst ensuring the widest possible participation and engagement.

MAC's Trustees have overall responsibility for the management of risk within the organisation and regularly assess the risks to which we may be exposed. A risk register identifies those risks and assigns specific actions and responsibilities for mitigating them. The risk management process is ongoing and is regularly updated by the senior management team and reviewed by Trustees. The Trustees maintain a watchful eye on financial, reputational and operational risks, efficiency, streamlining operations, processes and practices, to achieve the best and fairest use of our financial and human resources.

The internal systems are designed to meet MAC's particular needs and the risks to which we are exposed, to manage those risks and to provide reasonable assurance that mitigation plans are realistic and likely to be effective going forward. The Finance & Governance Sub-Committee advises Trustees on budgetary controls, recommends steps to ensure financial viability of the organisation, monitoring the receipt of income for both revenue and capital expenditure.

The following are currently deemed the top risks for the organisation:

Risk	Mitigation and Actions
<b>FINANCIAL</b>	
Pressure on MAC's salary bill due to inflationary increases to wages, causing erosion of differentials and reducing ability to offer competitive salaries across the payscale. Additional increases in employer national insurance contributions increasing on-costs.	Salaries under regular review by HR Sub Committee and built into budget planning processes approved by the Board. Pay review commissioned in 2025-26 to address pressures on salary budget and provide sustainable method of evaluating salaries for the future, including market rate reporting.
Ongoing impact of the cost of living crisis despite stabilisation of inflation – risking customer confidence and ability to spend. Reduction in our ability to increase prices and grow business across Charity and Trading.	Remain vigilant to changes in market, maintain strong cost control on produce with good relationships with suppliers. Regular financial monitoring to understand audience spend and audience survey strategy in place.
Inability to meet fundraising target for RAAC replacement in roof. Risk of roof failing over time if work does not take place and loss of income against budget as a result of roof failure due to displacement/cancellation of planned programme.	Mitigation works are in place and inspected regularly by specialist structural engineers to ensure remains fit for purpose. We can reschedule programmed events to alternative spaces if required and renegotiate contracts to reflect any new capacities.

### **3. Governance, Reference and Administrative Information**

Midlands Arts Centre is a registered charity constituted as a company limited by guarantee (registered charity number 528979 and registered company number 00718349).

MAC is governed by a Memorandum and Articles of Association which sets out its charitable object: the promotion of, education in, and appreciation of, the arts.

MAC's mission is to promote innovative, creative arts activities in ways which help to establish them as an important part of people's lives. MAC's principal objectives are to encourage as many people as possible to:

- explore, examine and enjoy the arts activities of others; and
- participate in, and undertake, their own arts activities.

#### **3.1. Governance Priorities**

During 2024-25 we focused on the following areas:

- Recruitment of a new Chair for the Board
- Reviewing and agreeing a new governance schedule for the Board
- Updating Trustee training in relation to Safeguarding

#### **3.2. Board of Trustees**

Our Board of Trustees, who are also Directors of the Charity for the purposes of the Companies Act, have overall responsibility for the strategy, management, and control of MAC. They are non-executive and unpaid. Our Chief Executive, working with the Executive Team, is responsible for delivering the Board's vision and strategy and for the day-to-day operations. The Board seeks to support the Executive in a culture of mutual confidence and trust.

As of 31 March 2025, the Board was made up of 13 Trustees.

Our Articles allow for between 4 and 15 Trustees. In addition, Birmingham City Council (BCC) may appoint up to 3 members of the Board. Nominees appointed by BCC are subject to their appointment process and the guidelines on appointments to public office as they apply to Local Government nominees.

The Chair and Vice-Chair(s) are elected by the Board from among their number.

All Trustees are required to demonstrate that they meet the skills needed, which are set out in the role profile. Appointments are led by the Nominations Committee which makes recommendations to the Board of Trustees. When recruiting, we consider the diverse skills and experience needed to govern MAC in the long term, ensuring that the Board is fit for purpose and brings a diversity of different interests and experience.

Appointed Trustees are recruited following external advertisement and their skills and competencies are assessed against the role profile. They serve for an initial term of three

years and, subject to review and the approval of the Board of Trustees, may serve for two further periods of three years.

Two new Trustees were appointed during 2024-25.

All new Trustees are given an induction programme which is tailored to their needs. It will always include meetings with the Chair, Vice-Chair and Chief Executive; review of current business plans, budgets and recent financial performance; and practical information on policies, meetings and structure. Each new Trustee is assigned a 'Board Buddy': an existing Trustee who can support them in their early stages of development. Individual Trustees have regular appraisals with the Chair of the Board; this enables any training and development needs to be identified and addressed.

The Board of Trustees holds an away day at least once a year which provides further opportunities for Trustee development.

The Trustees have overall approval and oversight of the organisation's strategy, plans and budgets and are regularly kept updated on progress against these.

Provision for Directors' indemnity insurance is in place.

### **3.3. Charity Governance Code**

MAC supports the principles of the Charity Governance Code and we continue to review our practice against the Code's requirements as part of an approach to continuously improving our governance arrangements. MAC's Governance Review Action Plan details the organisation's approach to compliance against each area of the Code and is regularly reviewed by the Board and there are no current areas of concern. A rolling programme of self-assessment, training and development are in place to consistently refresh knowledge of compliance with the Code across the Board.

The Chair leads on the governance review action plan that outlines the Board development and priorities for the forthcoming period. The Chair is supported by the Chairs of the Sub-Committees and deputy Chair of the Board of Trustees.

### **3.4. Board Committees**

The MAC Board has established three standing Committees to consider issues in greater depth and to advise the Board. All Committees are accountable to, and report to the Board.

#### **Finance & Governance Sub-Committee**

Members: 4 Trustees plus Chair ex officio

Role: To oversee strategic direction of finances and associated activities and to cover issues associated with governance. Any significant delegated decision making is referred to the full Board.

Meetings are held in advance of each Charity Board meeting and attended by CEO, Head of Finance and Director of Governance and HR.



During 2024-25, it particularly focussed on:

- Governance updates including review of Committee Terms of Reference, creation of Board Expenses Policy and review of internal controls.
- Oversight of banking controls and monitoring short-term investments
- Recommendation of updates to MAC and MAC Trading Memorandum of Understanding and Licence Agreement
- Preparation and review of budgets

### **HR Committee**

Members: 3 Trustees plus Chair ex officio

Role: To discuss personnel matters where Trustee level decision is required and input into policies relating to personnel.

Meetings are held when required and attended by the Chief Executive and Director of Governance & HR.

During 2024-25, it particularly focussed on:

- Annual pay award for MAC staff from 1 April 2025 taking into consideration inflation, increase in Government National Minimum/Living Wage and changes to employer national insurance contributions.
- Implementation of new legislation relating to sexual harassment
- Agreeing approach for pay and grading review and supporting tender process for consultants.

### **Nominations Committee**

Members: Chairs of Boards, deputy chairs and sub-committee chairs.

Role: To oversee Board membership including recruitment, induction, and allocation of additional roles on the Board.

Meetings are held when required and attended by the Chief Executive and Director of Governance & HR.

During 2024-25, it particularly focussed on:

- Trustee recruitment/succession planning with a particular focus on recruitment of Trustees with experience in governance, risk management and financial understanding.

### 3.5. MAC Trading, our subsidiary company

The Charity's wholly owned subsidiary, Midlands Arts Centre Trading Limited was established to provide catering services, event sales, venue hires and retail activities and operates from the site of its parent company, Midlands Arts Centre.

Directors Mike Williams (Chair)  
Martin Leppard  
Kam Bains (resigned 24 September 2024)  
Margaret O'Sullivan (29 January 2025)

Company Registration Number 03261120

Registered Office Cannon Hill Park  
Birmingham  
B12 9QH

### 3.6. Trustees and Professional Advisers

The following table illustrates the individuals who have served on the Board of Trustees during 2024-25 and key movements in 2025-26 to the date of this report.

Trustee	Changes	Committee and Other Responsibilities
Cllr Matt Bennett		Birmingham City Council representative
Gurdip Bhangoo		Safeguarding Lead
Selina Brown		
Letha Charles	Leave of absence from 30 Jan 25	Chair F&G
Stephanie Dale		Environmental Lead
Owen Dutton		Vice Chair
Linda Jones		Chair HR Committee
Michael Jones	Appointed 27 Mar 25	F&G Committee
Cllr Mary Locke		Birmingham City Council representative
Haseena Lockhat		EDI Lead, HR Committee member
Mary Martin	Resigned 30 Sep 24	Chair
Neil McGowan		F&G Committee member
Ros Robins	Elected Chair 30 Sep 24	Chair
Arfa Ruhee	Appointed 27 March 25	
Michael (Mike) Williams	Acting Chair F&G from 30 Jan 25	Chair Trading, Acting Chair F&G
Michelle Williams		HR Committee member

Letha Charles, Linda Jones and Mike Williams will retire by rotation and, being eligible will offer themselves for re-election at the forthcoming AGM.

### **3.6.1. Senior Management Team**

Deborah Kermode	Chief Executive and Artistic Director
Nicola Rowe	Deputy CEO & Director of Commercial & Operations
Barbara Clements	Head of Finance
Sally Ann Pennington	Director of Development
Holly Mulhern	Director of Governance and HR & Company Secretary

### **3.6.2. Registered Office**

Charity Name:	Midlands Arts Centre
Charity Registration Number:	528979
Company Registration Number:	00718349
Registered and Principal Office	Cannon Hill Park, Birmingham B12 9QH

### **3.6.3. Professional Advisers**

#### **Bankers**

HSBC Plc  
130 New Street  
Birmingham  
B2 4JU

#### **Auditors**

Forvis Mazars LLP  
2 Chamberlain Square  
Birmingham  
B3 3AX

### 3.7. Statement of Trustees' Responsibilities

The directors (who are also Trustees of Midlands Arts Centre for the purpose of Charity Law) are responsible for preparing the Annual Report, including the Strategic 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping adequate and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

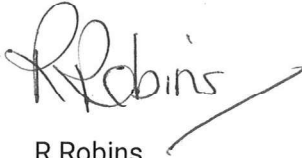
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

### 3.8. Disclosure of Information to Auditors

As far as we are aware:

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

**By Order of the Board**



R Robins  
Chair



H Mulhern  
Secretary

30 September 2025

## **4. Independent Auditor's Report on the Financial Statements to the Members of Midlands Arts Centre**

### **Opinion**

We have audited the financial statements of Midlands Arts Centre (the 'parent charity') and its subsidiary ('the group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The other information comprises the information included in the Trustees' Report including Strategic Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our

opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 36, the trustees (who are also directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and its sector, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, Charities Act 2011 and the Companies Act 2006.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, income recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.



There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

### **Use of the audit report**

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



[David Hoose \(Oct 24, 2025 07:28:04 GMT+1\)](#)

David Hoose (Senior Statutory Auditor)

for and on behalf of Forvis Mazars LLP  
Chartered Accountants and Statutory Auditor  
First Floor  
2 Chamberlain Square  
Birmingham  
B3 3AX

Date: 24/10/2025

## 5. Financial Statements

### 5.1. Consolidated Statement of Financial Activities

**Midlands Arts Centre**  
**(including consolidated Income and Expenditure Account)**  
**for the year ended 31 March 2025**

	Notes	Unrestricted funds £	Restricted building project £	MAC Sustainability Fund £	Other restricted projects £	2025 Total £	2024 Total £
<b>INCOME</b>							
<i>Donations and legacies</i>	2	144,200	-	-	-	144,200	39,719
<i>Income from charitable activities</i>							
Grants, donations and other income	3	838,121	-	-	1,246,427	2,084,548	2,121,223
Arts activities	4	1,463,240	-	-	-	1,463,240	1,461,773
<i>Income from other trading activities</i>							
Commercial trading operations	5	1,990,443	-	-	-	1,990,443	2,005,847
Office lettings, hire and recharges		81,837	-	-	-	81,837	37,076
<i>Investment income</i>	2	47,601	-	-	-	47,601	29,074
<b>Total income</b>		<b>4,565,441</b>	<b>-</b>	<b>-</b>	<b>1,246,427</b>	<b>5,811,868</b>	<b>5,694,712</b>
<b>EXPENDITURE</b>							
<i>Expenditure of raising funds</i>							
Commercial trading operations	6	1,821,244	-	-	-	1,821,244	1,820,007
<i>Expenditure on charitable activities</i>							
Small Scale Building Project Cost	15	-	16,928	-	-	16,928	19,547
Arts activities	6	3,080,807	-	-	1,344,160	4,424,967	3,801,190
<b>Total expenditure</b>		<b>4,902,051</b>	<b>16,928</b>	<b>-</b>	<b>1,344,160</b>	<b>6,263,139</b>	<b>5,640,744</b>
<b>Net (expenditure)/ income for the year</b>		<b>(336,610)</b>	<b>(16,928)</b>	<b>-</b>	<b>(97,733)</b>	<b>(451,271)</b>	<b>53,968</b>
<b>Transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds for the year</b>		<b>(336,610)</b>	<b>(16,928)</b>	<b>-</b>	<b>(97,733)</b>	<b>(451,271)</b>	<b>53,968</b>
<i>Reconciliation of funds</i>							
Total Fund brought forward		1,050,093	1,869,401	555,321	1,292,983	4,767,798	4,713,830
Total funds carried forward		<b>713,483</b>	<b>1,852,472</b>	<b>555,321</b>	<b>1,195,250</b>	<b>4,316,527</b>	<b>4,767,797</b>

All activities of the Group are continuing and there is no difference between the reported result for the year stated above and that on a historical cost basis.

The Group has no recognised gains and losses other than those included in the Consolidated Statement of Financial Activities.

The notes on pages 45 to 64 form part of these financial statements.

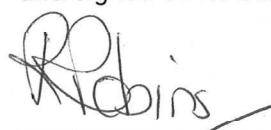
## 5.2. Consolidated and Company Balance Sheets

Midlands Arts Centre  
Company Number 00718349  
as at 31 March 2025

		Consolidated		Company	
	Notes	2025 £	2024 £	2025 £	2024 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	9a	2,256,371	2,329,072	2,256,371	2,329,072
Intangible fixed assets	9b	40,855	50,943	40,855	50,943
Investment in subsidiary undertaking	10	-	-	100	100
<b>Total Fixed Assets</b>		<u>2,297,226</u>	<u>2,380,016</u>	<u>2,297,326</u>	<u>2,380,116</u>
<b>CURRENT ASSETS</b>					
Stocks	11	72,101	68,219	-	32,596
Debtors	12	451,572	858,634	467,843	819,249
Cash at bank and in hand:					
- unrestricted		630,194	307,670	494,326	224,134
- restricted – projects		1,195,250	1,292,983	1,195,250	1,292,983
- restricted – MAC Sustainability Fund		555,321	555,321	555,321	555,321
<b>Total Current Assets</b>		<u>2,904,438</u>	<u>3,082,827</u>	<u>2,712,740</u>	<u>2,924,283</u>
<b>LIABILITIES</b>					
Creditors falling due within one year	13	(885,137)	(695,044)	(693,539)	(536,600)
<b>NET CURRENT ASSETS</b>		<u>2,019,301</u>	<u>2,387,783</u>	<u>2,019,201</u>	<u>2,387,683</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,316,527</u>	<u>4,767,799</u>	<u>4,316,527</u>	<u>4,767,799</u>
<b>NET ASSETS</b>		<u>4,316,527</u>	<u>4,767,799</u>	<u>4,316,527</u>	<u>4,767,799</u>
<b>Represented by:</b>					
<b>RESTRICTED FUNDS</b>					
Building Projects	15	1,852,473	1,869,401	1,852,473	1,869,401
MAC Sustainability Fund	15	555,321	555,321	555,321	555,321
Other	15	1,195,250	1,292,983	1,195,250	1,292,983
<b>UNRESTRICTED FUNDS</b>					
General Funds	17	413,483	750,094	413,483	750,094
Designated Funds	17	300,000	300,000	300,000	300,000
		<u>4,316,527</u>	<u>4,767,799</u>	<u>4,316,527</u>	<u>4,767,799</u>

The notes on pages 45 to 64 form part of these financial statements.

The financial statements were approved by the Board of Directors on 30 September 2025 and signed on its behalf by:

  
.....  
R Robins – Chair

## 5.3. Consolidated Cashflow Statements

### Midlands Arts Centre for the year ended 31 March 2025

	Notes	2025 £	2024 £
<b>Reconciliation of net (outgoing)/incoming resources to net cash flow from operating activities</b>			
Net (outgoing)/incoming resources		(451,272)	53,969
Depreciation and amortisation charges	9a, 9b	120,884	109,642
Net interest	2	(47,601)	(29,074)
(Decrease) in stocks	11	(3,882)	(8,765)
Increase in debtors	12	407,061	(437,795)
Decrease in creditors	13	190,093	51,374
		<hr/>	<hr/>
Net cash inflow/ (outflow) from operating activities		<u>215,283</u>	<u>(260,649)</u>
<b>CASH FLOW STATEMENT</b>			
Net cash inflow/ (outflow) from operating activities		215,283	(260,649)
Returns on investments and servicing of finance	(a)	47,601	29,074
Capital expenditure	9a, 9b	(38,094)	(98,615)
Fixed assets written off	7	-	13,772
Increase/(Decrease) in cash	(b)	<u>224,790</u>	<u>(316,418)</u>

The notes on pages 45 to 64 form part of these financial statements.

## 5.4. Notes to the Financial Statements

Midlands Arts Centre  
for the year ended 31 March 2025

<u>Returns on investment and servicing of finance</u>		2025	2024	
		£	£	
(a)				
	Interest received	47,601	29,074	
(b)	<u>Increase/(Decrease) in cash</u>	2025	2024	
		£	£	
	Balance at beginning of period	2,155,975	2,472,392	
	Net cash flow (note c)	224,791	(316,417)	
	Balance at end of period	2,380,765	2,155,975	
(c)	<u>Reconciliation of net cash flow to movements in net funds</u>			
			£	
	Increase in cash during year being change in net funds		224,791	
	Net funds at 1 April 2024		2,155,975	
	Net funds at 31 March 2025		2,380,765	
(d)	<u>Analysis of changes in net funds</u>	At 1 April	Cash	At 31 March
		2024	flows	2025
		£	£	£
	Cash at bank	2,155,975	224,791	2,380,765

## 1. Accounting Policies

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

### a Basis of preparation

Midlands Arts Centre is a charitable company limited by guarantee and incorporated in England and Wales under company number 00718349. It is also registered with the Charity Commission for England and Wales under registration number 528979. The registered office is Cannon Hill Park, Birmingham, B12 9QH.

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

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

### b Basis of Consolidation

The consolidated financial statements consolidate the results of the parent company and of the subsidiary on a line-by-line basis. A separate Statement of Financial Activities and income and expenditure account for the charitable company itself are not presented because advantage has been taken of the exemptions afforded by section 408 of the Companies Act 2006.

### c Income

Income from arts activities is included in incoming resources in the period in which the relevant activity takes place. Income is deferred when admission fees are received in advance of the performances or events to which they relate.

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Income from commercial trading operations is recognised as earned.

Investment income is included in the financial statements as and when receivable and the amounts shown include taxation recoverable thereon, where applicable.

**d Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific artistic projects being undertaken by the Charity.

**e Donated services**

Where services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included as an estimate based on the value of the contribution to the charity.

**f Expenditure and irrecoverable VAT**

Expenditure is included in the Consolidated Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including the café, bar, room hires and their associated support costs.
- Expenditure on charitable activities includes the costs of performances, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

All costs are allocated between the expenditure categories of the Consolidated Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity comprise both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**g Fixed Assets, Depreciation, and impairment**

All assets that are considered to have a useful economic life (UEL) are capitalised and held as tangible fixed assets. All tangible fixed assets are held at cost less accumulated depreciation with the exception of leasehold land and buildings which are held at the value of the lease premium as determined at 31 March 2022.

Depreciation is provided at rates calculated to write off the costs of the asset, less its estimated residual value, over its UEL as follows:

#### Buildings

The new lease arrangements with Birmingham City Council were agreed in March 2022 and finalised in April 2022. The lease is for 99 years and the intention is to write off the lease premium over the period of the lease.

#### Short-term leasehold improvements and fixtures, fittings and equipment

Depreciation is being provided on short-term leasehold improvements and fixtures, fittings and equipment other than computers in equal annual instalments over their estimated working life of between 3 to 25 years.

#### Computers

Depreciation on computers is being provided in equal instalments over an estimated working life of between 3 to 5 years.

#### Impairment

All long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. In such circumstances the charitable group estimates the future cash flows expected to result from the use of the asset and its disposal and where those are less than the carrying amount an impairment loss is recognised.

### **h Intangible Assets and amortisation**

Intangible assets are capitalised and recognised when future economic benefits are probable and the asset can be measured reliably.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life. The MAC amortises the costs of the website over the expected useful life of 7 years.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

### **i Capital grants**

Grants and donations received for capital purposes are accounted for as restricted funds and depreciation of the underlying fixed assets is charged to these funds.

### **j Stock**

Stock is valued at the lower of cost and estimated realisable value.

### **k Lease rentals**

Rentals on operating leases are recognised in the Statement of Financial Activities on a straight-line basis as incurred.

### **l Pre-production costs**

Any costs which are not able to be recycled or resold are written off and are not carried forward to match against production income.



**m Debtors**

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

**n Creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**o Pension costs**

To meet the requirements of auto-enrolment of staff into a pension scheme, the company offers the NEST pension scheme.

**p Going concern**

The Board of Trustees are required to consider whether Midlands Arts Centre has sufficient current and forecast cash resources to cover the working capital requirements of the company for at least 12 months from the date of signing this report and financial statements. The Trustees have considered the effect external pressures such as the cost-of-living crisis, salaries and inflation. Having assessed how these factors impact the going concern position, they believe the charity will continue to operate for a period of at least 12 months from the date of signing these accounts.

In coming to this opinion, they have considered:

- Given the level of reserves and cash holdings the Board considers that there are sufficient resources available to the Charity to sustain the operation in all likely scenarios and the Charity will be able meet all the requirements of our obligations;
- The strong level of funding already confirmed until end of financial year 2025-26 with key partners; Arts Council England, Players of the People's Postcode Lottery and Youth Music;
- MAC has a strong reliance on Arts Council England revenue grant (18%). At our most recent risk assessment review (May 2025) the organisation has been rated as having minor risk, with overall comment "organisation demonstrates strong leadership and governance in Board papers/reports" "with strong activity and investment plans reflecting growth";
- The continued financial support from longstanding major trusts and foundations through 2025 into 2026 and the investment of new grant-givers;
- The strong cash balances and good level of reserves, enough of which are unrestricted and available to absorb short-term deficits, if required;
- The charitable company's renewed business plans and operating basis.

All these factors allow the Trustees to be satisfied that the charitable company remains a going concern, and as such, the financial statements have been prepared on a going concern basis.

**q Financial Instruments**

MAC only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the Trust and their measurement bases are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

Amounts due from MAC's wholly owned subsidiary are held at face value less any impairment.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**r Critical estimates and significant judgements**

The Trustees consider that there are no significant areas of judgement or key assumptions that affect items in the financial statements other than those included within the accounting policies described above.

**s Redundancy Policy**

Employees with two years' continuous employment made redundant will be entitled to a statutory redundancy payment. The amount of a statutory redundancy payment is calculated according to a formula based on the employee's age, length of service and week's pay.

**t Cash and cash equivalents**

Cash is represented by cash in hand. Cash equivalents represent deposits with financial institutions repayable at maturity. These are liquid investments that mature no more than 12 months from the year-end and with an insignificant risk of change in value.

## 2. Income from grants and donations

	2025 £	2024 £
<b>(a) Grants, Donations and other income - unrestricted</b>		
Pinsent Masons pro-bono fees	2,600	3,807
Fundraising and gift aid donations	141,600	35,912
	<u>144,200</u>	<u>39,719</u>
<b>(b) Investment Income</b>		
Unrestricted	47,601	29,074
Restricted	-	-
	<u>47,601</u>	<u>29,074</u>

### 3. Income from Charitable Activities

(a)	<b>Grants, Donations and other income - unrestricted</b>	<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
	Arts Council England	752,748	752,748
	Other Income	85,373	307,828
		<u>838,121</u>	<u>1,060,576</u>
(b)	<b>Grants, Donations and other income - restricted</b>		
	<b>General Projects</b>	<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
	Arts Council England - Exceptional Grant	96,377	-
	Birmingham City Council	67,262	-
		<u>163,639</u>	<u>-</u>
	<b>General Projects - other</b>	<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
	Arts Council England		-
	National Foundation for Youth Music/Million Hours	93,751	54,375
	Roughley Trust	5,000	5,500
	Radcliffe Trust	-	3,000
	Feeney Trust	-	6,500
	People's Postcode Lottery	825,000	750,000
	Nottingham Media	19,084	13,624
	Fidelity/Sampad (Community)	27,740	133,150
	National Collection Fund	-	32,535
	Southbank Centre	12,500	11,583
	Culture Centre	-	19,500
	Birmingham University - R&D	-	5,000
	Theatres Trust	-	17,362
	MK Rose	5,000	-
	Barings Foundation	25,000	-
	New Work trust	30,000	-
	Saintbury	4,000	-
	Eversheds	7,500	-
	Turner Trust Grant	3,000	-
	The Rowlands Trust	3,500	-
	Cinema Funding	10,000	-
	Other Projects	11,713	8,518
		<u>1,082,788</u>	<u>1,060,647</u>

#### 4. Income from Arts Activities

	2025 £	2024 £
Cinema	276,220	241,478
Learning and Participation	752,471	705,815
Visual Arts	22,984	42,521
Productions and Performances	279,986	241,873
Other Income	131,579	230,086
	<u>1,463,240</u>	<u>1,461,773</u>

All income generated from Arts Activities for the 2025 and 2024 year relates to unrestricted funds.

#### 5. Income from Trading Operations

The charitable company owns 100% of the share capital of Midland Arts Centre Trading Limited which provides catering services, event sales, venue hires and retail activities. The trading results and net asset position of the company for the year ended 31 March 2025 are as follows.

	2025 £	2024 £
<b>Turnover</b>	2,022,499	2,024,482
Cost of sales	<u>(408,777)</u>	<u>(397,360)</u>
<b>Gross (loss)/profit</b>	1,613,722	1,627,122
Interest received	674	4,655
Staff costs	(885,782)	(788,196)
Other operating costs	(90,856)	(159,451)
Transactions with parent company:	-	-
Facility fee payable	(498,750)	(475,000)
Technical and customer services support recharged	(29,504)	(40,766)
Covenanted profit transferred under gift aid	<u>(109,503)</u>	<u>(168,365)</u>
<b>Operating (loss)/profit</b>	-	-
Tax on profit on ordinary activities	-	-
Retained in subsidiary	<u>-</u>	<u>-</u>
<b>The assets and liabilities of the subsidiary at 31 March were:</b>		
Net current assets	<u>100</u>	<u>100</u>
<b>Total net assets</b>	<u>100</u>	<u>100</u>
<b>Aggregate share capital and reserves</b>	<u>100</u>	<u>100</u>

During the year, Midlands Arts Centre Trading Limited made sales of £32,057 (2024: £18,636) to the parent charity.

## 6. Total Expenditure

### Costs directly allocated to activities

	Cinema	Learning and participation	Visual Arts	Performing Arts	Other Restricted Projects	Restricted Building Projects	Trading operations	2024/25 Total	2023/24 Total
	£	£	£	£	£	£	£	£	£
Staff costs, travel and subsistence	156,071	741,206	212,729	318,822	199,934	-	885,782	2,514,544	2,276,346
Payments relating to artists	126,593	44,589	117,351	309,126	625,982	-	-	1,223,641	901,464
Materials and consumables	851	56,287	54,027	5,657	100,463	-	440,548	657,834	594,446
Communications	11,188	31,203	13,661	22,325	1,610	-	-	79,987	81,443
Administration	10,795	36,188	13,832	23,141	73,286	-	160,291	317,533	298,613
<b>Total direct costs</b>	<b>305,499</b>	<b>909,473</b>	<b>411,600</b>	<b>679,072</b>	<b>1,001,275</b>	<b>-</b>	<b>1,486,621</b>	<b>4,793,539</b>	<b>4,152,312</b>

### Support costs allocated to activities

Premises and services costs	31,693	66,833	27,672	47,759	76,070	16,928	77,662	344,616	375,413
Building running costs	29,024	79,302	35,153	57,794	89,998	-	87,725	378,995	389,552
HR and administration	9,797	26,766	11,859	19,508	28,208	-	29,447	125,585	154,532
IT & Finance	30,007	81,991	36,359	59,751	97,661	-	91,044	396,813	361,848
Governance	4,890	12,129	7,319	9,790	7,897	-	9,404	51,429	59,208
Operations and planning	12,944	35,367	15,686	25,773	43,051	-	39,341	172,163	147,879
<b>Total support costs</b>	<b>118,354</b>	<b>302,387</b>	<b>134,048</b>	<b>220,375</b>	<b>342,885</b>	<b>16,928</b>	<b>334,623</b>	<b>1,469,600</b>	<b>1,488,432</b>

### Total costs - 2024-25

	423,852	1,211,860	545,648	899,447	1,344,160	16,928	1,821,244	6,263,139	-
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### Total costs - 2023-24

	357,925	1,132,989	496,376	806,248	1,007,651	19,547	1,820,007	-	5,640,744
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£1,361,088 (2024: £1,027,198) of the above costs were attributable to restricted funds. £4,902,051 (2024: £4,613,546) of the above costs were attributable to unrestricted funds.

Except for where costs can be directly allocated to activity headings, the method of apportionment of costs to activity headings is based, mostly, on activity levels. Actual income generated in the year has been used to indicate levels of activity.

## 7. Charitable Expenditure

Expenditure includes:	2025 £	2024 £
Auditors' remuneration		
- in respect of audit of the Charity	23,500	21,567
- in respect of audit of the Charity's subsidiary company	3,500	4,500
- for specialist advice (all parent Charity)	11,780	10,559
Depreciation and amortisation – owned assets	120,884	109,642
Fixed assets written off	<u>3</u>	<u>13,772</u>

## 8. Staff Costs

The aggregate staff costs of the charitable group were:

	2025 £	2024 £
Wages and salaries	2,992,331	2,774,165
Social security costs	203,820	195,358
Pension costs	<u>53,690</u>	<u>48,812</u>
	<u>3,249,841</u>	<u>3,018,335</u>

Redundancy and termination payments amounting to £6,500 (2024: £8,520) were paid during the year.

Holiday pay of £6,930 (2024: £15,000) is included in provisions.

The company has also established a defined contributed scheme with NEST.

### Higher Paid Staff

	2025 Number	2024 Number
The number of employees whose remuneration fell within the band £80,000 to £89,999	<u>1</u>	<u>1</u>
The number of employees whose remuneration fell within the band £70,000 to £79,999	<u>0</u>	<u>0</u>
The number of employees whose remuneration fell within the band £60,000 to £69,999	<u>1</u>	<u>1</u>

No other employees were paid remuneration of more than £60,000 in current or previous year.

## Trustees' and key management personnel remuneration and expenses

One trustee received remuneration or reimbursed expenses during the year £101. (2024: £Nil)

The total amount of employee benefits received by key management personnel is £342,601 (2023: £327,888). Key management personnel are set out on page 35 of this report.

## Average number of employees

The average number of employees in the year was as follows:

	2025 Number	2024 Number
Business and administration staff – Full time	18	16
Business and administration staff – Part time	42	59
Arts team – Full time	22	10
Arts team – Part time	59	66
Catering, bar and events staff - Full Time	15	11
Catering, bar and events staff - Part Time	33	37
	<u>189</u>	<u>199</u>

## 9a. Tangible Fixed Assets

Consolidated and Company	Leasehold land and buildings £	Leasehold Improvements £	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>					
At 1 April 2024	973,000	1,463,531	448,204	111,751	2,996,486
Additions	-	-	24,418	13,680	38,098
Disposals	-	-	(3)	-	(3)
At 31 March 2025	<u>973,000</u>	<u>1,463,531</u>	<u>472,619</u>	<u>125,431</u>	<u>3,034,581</u>
<b>Depreciation</b>					
At 1 April 2024	20,569	206,707	341,405	98,733	667,414
Charge for year	9,828	60,313	29,046	11,609	110,796
Disposals	-	-	-	-	-
At 31 March 2025	<u>30,397</u>	<u>267,019</u>	<u>370,451</u>	<u>110,343</u>	<u>778,210</u>
<b>Net book values</b>					
At 31 March 2025	<u>942,603</u>	<u>1,196,512</u>	<u>102,168</u>	<u>15,088</u>	<u>2,256,371</u>
At 31 March 2024	<u>952,431</u>	<u>1,256,825</u>	<u>106,799</u>	<u>13,018</u>	<u>2,329,072</u>



## 9b. Intangible Assets

	Intangibles £	Total £
<b>Cost</b>		
At 1 April 2024	52,797	52,797
At 31 March 2025	52,797	52,797
<b>Amortisation</b>		
At 1 April 2024	1,854	1,854
Charge for year	10,088	10,088
At 31 March 2025	11,942	11,942
<b>Net book values</b>		
At 31 March 2025	40,855	40,855
At 31 March 2024	50,943	50,943

## 10. Investment in Subsidiary Undertaking

The company owns 100% of the issued share capital of Midlands Arts Centre Trading Limited, a company registered in England and Wales, and whose principal activity is the provision of catering services, event sales and hire. The results and financial position of the subsidiary undertaking are set out in note 5.

## 11. Stock

	Consolidated		Company	
	2025	2024	2025	2024
	£	£	£	£
Catering and bar stocks	15,266	13,575	-	-
Retail Stock	56,835	54,644	-	32,596
	<u>72,101</u>	<u>68,219</u>	<u>-</u>	<u>32,596</u>

## 12. Debtors

	2025	Consolidated 2024	2025	Company 2024
	£	£	£	£
<b>Amounts falling due within one year</b>				
Due from subsidiary undertaking	-	-	106,168	76,891
Other debtors	138,138	182,334	59,101	92,907
Taxation	22,153	29,336	22,153	29,336
Prepayments	183,965	119,536	182,382	120,243
Accrued income	107,316	527,428	98,040	499,872
	<u>451,572</u>	<u>858,634</u>	<u>467,843</u>	<u>819,249</u>

## 13. Creditors

	2025	Consolidated 2024	2025	Company 2024
	£	£	£	£
<b>Amounts falling due within one year</b>				
Trade creditors	87,703	193,166	63,875	137,343
Taxation and social security	144,202	132,505	51,356	45,227
Other creditors	81,061	15,021	46,414	15,334
Accruals	338,476	107,854	311,844	92,198
Deferred income	233,695	246,498	220,050	246,498
	<u>885,137</u>	<u>695,044</u>	<u>693,539</u>	<u>536,600</u>

Deferred Income has arisen where events and courses are sold ahead of the actual date of the event. This is deferred in the accounts balance sheet to be released in the correct accounting period.

## 14. Operating Lease Commitments

The total minimum lease payments due by the charitable company at 31 March 2025 in respect of non-cancellable operating leases are as follows:

	Consolidated Other operating leases		Company Other operating leases	
	2025	2024	2025	2024
Within one year	2,415	9,338	2,415	9,338
Within one and two years	1,031	2,415	1,031	2,415
Within two to five years	344	1,375	344	1,375
	<u>3,790</u>	<u>13,128</u>	<u>3,790</u>	<u>13,128</u>

## 15. Restricted Funds (Charity and Group)

	Capital Development £	Small Scale Capital Development Project £	MAC Sustainability Fund £	Projects (note 16) £	Total £
<b>At 1 April 2023 b/f</b>	963,172	925,776	555,321	1,239,987	3,684,256
<b>Incoming resources</b>					
Incoming resources (note 2,3)	-	-	-	1,060,647	1,060,647
<b>Resources expended</b>					
Income from other trading activities	(10,741)	(8,806)	-	-	(19,547)
Arts activities	-	-	-	(1,007,651)	(1,007,651)
Transfers	-	-	-	-	-
<b>At 31 March 2024 c/f</b>	<u>952,431</u>	<u>916,970</u>	<u>555,321</u>	<u>1,292,983</u>	<u>3,717,705</u>
<b>At 1 April 2024 b/f</b>	952,431	916,970	555,321	1,292,983	3,717,705
<b>Incoming resources</b>					
Incoming resources (note 2,3)	-	-	-	1,246,427	1,246,427
<b>Resources expended</b>					
Small Scale Building Project Cost	(9,107)	(7,821)	-	-	(16,928)
Arts activities	-	-	-	(1,344,160)	(1,344,160)
Transfers	-	-	-	-	-
<b>At 31 March 2025 c/f</b>	<u>943,324</u>	<u>909,149</u>	<u>555,321</u>	<u>1,195,250</u>	<u>3,603,044</u>

The Capital Development Fund matches the lease premium (notional value) of the 99 year lease currently held by MAC from Birmingham City Council.

The Small Scale Capital Development Project represents capital grants received for minor capital works.

The MAC Sustainability Fund is available to support MAC in financing any costs of an exceptional nature.

The Restricted Projects comprise restricted funds provided by a large number of donors and funders. They are utilised in accordance with their specific purposes throughout the year.

## 16. Analysis of Restricted Project Funds (Charity and Group)

	1 April 2024 £	Incoming resources £	Resources expended £	31 March 2025 £
National Foundation for Youth Music Youth music inclusion programme working with children and young people in challenging circumstances	(13,521)	93,751	(80,230)	-
Other Projects**	1,306,504	1,152,676	(1,263,930)	1,195,250
Total	1,292,983	1,246,427	(1,344,160)	1,195,250

\* Refer to note 3 for list of supporters

\*\* Includes sums from a range of supports including The Roughley Trust, Nottingham Media, Southbank Centre, Sampad Community Funds, Barings Foundation, New Work Trust, and The Turner Trust towards commissions, productions, exhibitions and events as part of MAC's longer range artistic programme.

### Comparison to financial year ended 31 March 2024

	1 April 2023 £	Incoming resources £	Resources expended £	31 March 2024 £
National Foundation for Youth Music Youth music inclusion programme working with children and young people in challenging circumstances	73,986	54,375	(141,882)	(13,521)
Other Projects**	1,166,001	1,006,272	(865,769)	1,306,504
Total	1,239,987	1,060,647	(1,007,651)	1,292,983

## 17. Unrestricted Funds (Consolidated and Company)

	General Funds £	Designated Funds £	Total £
At 1 April 2023 b/f	729,574	300,000	1,029,574
Net incoming resources before transfers	20,520	-	20,520
Transfer of funds	-	-	-
At 31 March 2024 c/f	750,094	300,000	1,050,094
At 1 April 2024 b/f	750,094	300,000	1,050,094
Net incoming resources before transfers	(336,610)	-	(336,610)
Transfer of funds	-	-	-
At 31 March 2025 c/f	413,484	300,000	713,484

### UNRESTRICTED FUNDS (Charity)

	General Funds £	Designated Funds £	Total £
At 1 April 2024	750,094	300,000	1,050,094
Net incoming resources before transfers	(336,610)	-	(336,610)
Transfer of funds	-	-	-
At 31 March 2025	413,484	300,000	713,484

## 18. Analysis of Group Net Assets Between Funds

	Unrestricted Funds Consolidated £	Restricted Funds Consolidated £	MAC Sustainability Funds Consolidated £	Total Funds £
Fund balances at 31 March 2025 are represented by:				
Fixed assets	444,753	1,852,473	-	2,297,226
Stock	72,101	-	-	72,101
Debtors	451,572	-	-	451,572
Cash at bank and in hand	630,194	1,195,250	555,321	2,380,765
Creditors	(885,137)	-	-	(885,137)
	<u>713,483</u>	<u>3,047,723</u>	<u>555,321</u>	<u>4,316,527</u>

### Comparison to financial year ended 31 March 2024

	Unrestricted Funds Consolidated £	Restricted Funds Consolidated £	MAC Sustainability Funds Consolidated £	Total Funds £
Fund balances at 31 March 2024 are represented by:				
Fixed assets	510,614	1,869,401	-	2,380,016
Stock	68,219	-	-	68,219
Debtors	858,634	-	-	858,634
Cash at bank and in hand	307,670	1,292,983	555,321	2,155,975
Creditors	(695,044)	-	-	(695,044)
	<u>1,050,093</u>	<u>3,162,385</u>	<u>555,321</u>	<u>4,767,799</u>

The designated funds within unrestricted funds are represented by cash at bank.

## 19. Financial Activities of the Charitable Company

The financial activities shown in the consolidated statement of financial activities includes those of the company's wholly owned subsidiary.

A summary of the financial activities undertaken by the parent charitable company is set out below.

	2025 £	2024 £
<b>Gross incoming resources</b>	3,990,624	3,874,704
Total expenditure on charitable activities	(4,390,467)	(3,761,528)
Governance costs	(51,429)	(59,208)
Exceptional Items	-	-
<b>Net (outgoing)/incoming resources for the year</b>	<u>(451,272)</u>	<u>53,969</u>
Total funds brought forward	4,767,799	4,713,830
<b>Total funds carried forward</b>	<u>4,316,527</u>	<u>4,767,799</u>
<b>Represented by:</b>		
Unrestricted funds	413,484	750,094
Designated funds	300,000	300,000
Restricted funds	3,603,043	3,717,705
	<u>4,316,527</u>	<u>4,767,799</u>

## 20. Other Lease Commitments

The charitable company has the commitment to pay a peppercorn rent expiring after more than 5 years on the leasehold, land, and buildings at Cannon Hill Park.

## 21. Contingent Liabilities

The charitable company is the representative member of a VAT registration group with its subsidiary company. The parent and subsidiary are jointly and severally liable for any VAT due from the representative member.

## 22. Tax Status

As a charitable company, Midlands Arts Centre is exempt from tax on income and gains falling within 481 to 489 of the Corporation Taxes Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen within the charitable company. The Trading subsidiary has no profits which are subject to taxation under the Income and Corporation Taxes Act 2010.

## 23. Pensions

### Nest Pension

The Company offers the NEST pension scheme to meet the requirements of auto-enrolment of staff into a pension scheme.

## 24. Members

The charity is incorporated as a company limited by guarantee, and in accordance with the memorandum of association of the company, every member of the company undertakes to

contribute to the assets of the company in the event of its being wound up while they are a member, or within one year after they cease to be a member, for the payment of the debts and liabilities of the company contracted before they cease to be a member and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves such amount as may be required, not exceeding £1.

The number of members at 31 March 2025 was 15 (2024:17).

## **25. Related Parties Transactions**

A number of trustees of Midlands Arts Centre have interests in organisations which have provided support and funding to the charity in the year. The trustees have considered the disclosure requirements of Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102), and of Financial Reporting Standard 102, and consider that the transactions requiring disclosure are as follows:

- a. Linda Jones, Trustee, is a partner of Pinsent Masons LLP, a firm the charity used in the year ending 31 March 2025 for the provision of specialist advice in relation employee relations. Pro-bono fees donated by Pinsent Masons are disclosed in note 2 to the accounts.
- b. Owen Dutton, Trustee is a Legal Director of Eversheds Sutherland, a firm the Charity has a corporate sponsorship arrangement with, amounting to £7,500 pa.

Transactions with the charity's totally owned subsidiary, Midlands Arts Centre Trading Ltd, are disclosed in note 5 to the accounts, and the balances owed to or due from the company are disclosed in note 12.

## **26. Ultimate Controlling Party**

MAC is controlled by its Board of Trustees.