

ARCADEA

**Trustees Report and Financial Accounts
For the Year Ended 31 March 2012**

Charity Number 1046912

ARCADEA

Trustees Report and Financial Statements For the Year Ended 31 March 2012

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ARCADEA

Members of the Committee and Professional Advisors

Registered Charity Number 1046912

Management Board

Ms Pauline Heath
Ms Paula Greenwell
Ms Karen Sheader Co - Chair
Mr George Wallace
Ms Janice Irving Co - Chair
Ms Helen Atkin
Mr Stuart Bracking

Registered Office 2nd Floor
Commercial Union House
Pilgrim Street
Newcastle
NE1 6QE

Independent Examiner Ellison Services
C/O Newcastle Council for
Voluntary Service
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF

Bankers Lloyds TSB
102 Grey Street
Newcastle upon Tyne
NE1 6AG

The Co-operative Bank PLC
Norfolk House,
84/86 Grey St,
Newcastle upon Tyne,
NE1 6BZ

**ARCADEA
REPORT OF THE MANAGEMENT COMMITTEE**

YEAR ENDED 31 March 2012

The Arcadea Management Board, have pleasure in presenting their report and financial statements of the charity for the year ended 31st March 2012.

Reference and administrative information

Reference and administrative details are shown in the schedule of members of the committee and professional advisors on page i of the report and financial statements.

Structure, governance and management

Governing documents

The organisation is a charity the constitution was adopted 2 February 1995 as amended 19 September 1998 and 20 September 2004. The financial statements comply with current statutory requirements, the organisations memorandum and articles of association and the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005)'.

Appointment of Trustees

New trustees are appointed at any point during the year. Our aim is to appoint trustees with skills and experience relevant to the Third Sector and to the specialism of our service delivery. Trustees are recruited through personal recommendations from existing trustees, their contacts, and the staff team.

Organisation

The management board meets quarterly and deals with the administration of the charity encompassing the strategic vision, financial accountability and risk management.

The operational management of the organisation is undertaken by the paid staff team.

Risk management

The management committee has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and for ensuring the consistent quality of the delivery of all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Chair's Statement

11-12 was the beginning of an exciting new and challenging phase for Arcadea. With relatively new staff in place, our first substantial public sector contract to deliver and an emerging relationship with the British Institute of Human Rights to develop, the year started on a positive note and continued throughout in that vein.

Alongside our plan to deliver a wide range of new work, we also embarked on the first year of a three-year strategy that aims to;

- a) Shield the organisation from the economic downturn.
- b) Counter the organisations reliance on funding from external sources and through earned income, move it towards a degree of core financial sustainability.
- c) Allow us to target more effectively those individuals and communities in most need.
- d) Develop a new approach to our collaborative work with the third sector and within public sector health and social care.

The year began with work on our newly won contract from Newcastle City Council to create a Cultural Choice Hub (the Hub) for and with Learning Disabled People in Newcastle.

The purpose of the contract was to build a suite of cultural and creative services that would provide both an alternative to day centre provision and forward the inclusion of learning disabled people in mainstream cultural activity.

The HUB was launched in September with a workshop festival that saw 90 learning disabled people engage with cultural organisations from around the city (such as the Baltic, the Sage and the Theatre Royal) in a wide range of activity. This included family history/personal heritage, cake decorating, drumming, drama, dance and cartooning. The day was a huge success and everyone we spoke to about the festival asked for similar events to happen more often.

Out of the festival we established the Hub steering group. Made up largely of Learning Disabled People this group worked alongside our staff and helped to inform the way the HUB developed and now operates.

One of our targets for the year was to establish a paid for cultural 'day service.' The aim of this service is to be an alternative to the more traditional day care approach by offering a wide range of cultural activity that is supported by professional artists as well as by becoming recognised as a significant creative presence within the city.

In the latter part of the year we established this service. Also known as the HUB, it quickly attracted interest and membership from across the city and is now a swiftly growing cultural enterprise.

One of the first "jobs" the Hub members were asked to undertake was by Newcastle Adult Services. This was to rebrand and relaunch the Blue Card. Working closely with Health and Safeguarding peers, the Blue Card became a discreet ID scheme that provides Learning Disabled People with two safety nets. The first is a simple contact

protocol that comes into play should an individual become lost or distressed, the second, which is linked to the NHS, is a straightforward alert for members of the emergency services. Members of the Hub 'Blue Card Group' developed the look and feel of the scheme and the outreach programme that accompanies it.

Forwarding creative inclusion and cultural equality are two of the main aims of Arcadea. During the year our work in this area included launching a new project called Hub Tickets. Loosely modeled on the Shape London Ticket Scheme, the project is membership based, an application must be applied for and proof of entitlement must be provided. On joining members receive a credit card style membership card that can be used at most of Newcastle's cultural venues to secure a free ticket for an accompanying carer or support worker. The scheme will be rolled out across the region in 12/13.

Alongside and to support Hub Tickets during the year we launched an accessible 'What's On' website. On evaluating the way the site was being used we discovered that a large number of Learning Disabled People either don't have access to the internet and or prefer to receive information in print form. In the light of this we produced our first printed regular newsletter for learning disabled people. As far as we are aware, in Newcastle this is the only print news specifically designed for Learning Disabled People.

Arcadea's mission is not tied solely to working with Learning Disabled People, in the past and with support from the Arts Council of England the organisation has worked to support and promote the artistic and cultural equality of all disabled people.

We knew at the beginning of the year that this would be the last year, for a while, that we received regular funding from the Arts Council of England. The Arts Council have been very supportive of our plans for 2011 2012, and worked with us to deliver these and ensure that the organisation continued to exist post ACE funding.

As part of this plan we embarked on a major piece of work in partnership with the British Institute of Human Rights (BIHR). Our shared aim being to deepen the understanding amongst disabled artist and disabled people in the region of Human Rights, using the arts as a medium to examine and communicate the UK Human Rights Act.

We ran eight Human Rights workshops for artists and community groups throughout the region. Some of these were facilitated by local disabled artists who were trained as part of the project by the BIHR and some by BIHR trainers themselves. The impact of this project was considerable, for many of the participants it brought Human Rights to life, for others it was an engaging introduction to a set of vital understandings.

The first phase of the project ended with an exhibition at the Centre for Life. Opened by the Dean of Law at Northumbria University, the show featured at least one piece of work or contribution from each of the 42 people who had taken part in the project during the year. The show featured pieces by established and award winning artists sitting alongside a rap video by learning disabled people, alongside poetry by members of an emerging disability advocacy group from mid Northumberland.

The project is due to continue into 12 /3 when we will focus the work on groups of learning disabled people in Hartlepool and in Newcastle

Our achievements during the year have been numerous; the people we have worked with have been extremely supportive. The new relationships and partnerships we have formed will prove extremely beneficial to the organisation, its partners and its stakeholders. There are challenges ahead that that will inhibit cultural equality and we will work to address these. Issues such as transport, care support in arts venues and local government cuts being not least of these, but all of which we will continue to work to overcome and find solutions for.

Financially the year saw the organisation take huge leaps towards reducing its dependence on grant aid to deliver its core work. Members of the board have worked hard with the staff to make this happen and should be justly proud of their achievements.

While discussing financial matters it is worth noting that the difference in the accounts for years 2010/2011 and 2011/2012 is in part due to the organisation having no staff wages to pay during first 6 months of 2010/11 as well as the funding for our contract with Newcastle City Council being paid at the end of 2010/11 for use in 2011/12.

Finally I would like to thank all of our staff, who having started with us only 6 months earlier, took us into the year full of hope and vision and brought us out of the year with a solid foundation from which to build new partnerships and growth in 2012/2013.

Karen Sheader Co - Chair

January 29th 2013

Financial Review

Arcadea is funded by principally by grant income from the Arts Council. The total income for the year was £72,994 (2011: £113,787) being an decrease of 36 per cent. This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice (SORP) 2005.

The Statement of Financial Activities for the year ended 31 March 2012, shows a deficit across all funds of £20,760 (2011: surplus £57,600).

The Balance Sheet at 31 March 2012 shows total funds carried forward of £41,301 (2011: £62,060) of which £14,097 (2011: £34,045) are restricted funds.

Reserves policy

Arcadea has built up a small level of reserves over the years to enable it to even out some of the "highs and lows" of income generation. In the coming year the reserves that are held will be stretched to cover potential shortfalls from funding as a result of cuts. At 31 March 2012 reserves represents just over 4 months of running costs which the trustees believe to be prudent in light of challenges faced in securing funding.

ARCADEA

YEAR ENDED 31 MARCH 2012

Statement of Trustee Responsibilities

The trustees, who are also directors for the purposes of the Companies Act, are also responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity for the year. In preparing those financial statements, the trustees are required to:

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

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

Approved by the trustees on 31.03.13 and signed on their behalf by:



Karen Sheader

Co - Chair

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ARCADEA
Year Ended 31 Mar 2012**

I report on the accounts of ARCADEA for the year ended 31st March 2012, which are set out on pages 8 to 15.

Respective responsibilities of trustees and examiner

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

It is my responsibility to:

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

Basis of independent examiner's statement

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in, any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act;
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met ; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Jim Dodds
Ellison Services Limited
Higham House, Higham Place, Newcastle upon Tyne, NE1 8AF
Date



31 January 2013

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Statement of financial activities

For the Year Ended 31 March 2012

	Unrestricted funds £	Restricted income funds £	Total this year £	Total last year £
Incoming resources (Note 3)				
Donations, legacies and grants	69,336	-	69,336	113,724
Fees for charitable services	-	3,396	3,396	-
Investment Income	56	-	56	-
Misc.	144	62	206	63
Total incoming resources	69,536	3,458	72,994	113,787
Resources expended (Notes 4-6)				
Wages, salaries, pensions and NI	50,812	5,102	55,914	33,829
Charity activities	910	18,304	19,213	4,615
Premises Costs	13,040	-	13,040	11,398
Office Expenses	2,931	-	2,931	3,289
Legal and professional fees	170	-	170	963
Governance	1,059	-	1,059	1,735
Depreciation	1,427	-	1,427	358
Total resources expended	70,348	23,406	93,754	56,187
Net incoming/(outgoing) resources before transfers	(812)	(19,948)	(20,760)	57,600
Transfers between funds	-	-	-	-
Total funds brought forward	28,016	34,046	62,061	4,460
Total funds carried forward	27,203	14,097	41,301	62,060

ARCADEA
Balance Sheet
As at 31 Mar 2012

	Total this year	Total last year
	£	£
Fixed assets		
Tangible assets (Note 7)	3,947	5,372
Current assets		
Debtors (Note 8)	2,589	1,711
Cash at bank and in hand	39,790	59,565
Total current assets	42,379	61,276
Creditors: amounts falling due within one year (Note 9)	5,026	4,588
Net current assets/(liabilities)	37,354	56,688
Total assets less current liabilities	41,301	62,060
Funds of the Charity		
Unrestricted funds	27,203	28,015
Restricted income funds (Note 10)	14,097	34,045
Total funds	41,301	62,060

Signed on behalf of the trustees

Signature


Date of approval

Karen Sheader Co - Chair



31.01.13

Pauline Heath



31.01.13

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Notes to the accounts

For the year ended 31 March 2012

Note 1 Basis of preparation

1.1 Basis of accounting

These accounts have been prepared on the basis of historic cost in accordance with:

- Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2005);
- and with Accounting Standards
- and with the Charities Act

1.2 Change in basis of accounting

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year

Note 2 Accounting policies

INCOMING RESOURCES

Recognition of incoming resources These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Incoming resources with related expenditure Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

Grants and donations Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

EXPENDITURE AND LIABILITIES

Liability recognition Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

ASSETS

Tangible fixed assets for use by charity These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt.

DEPRECIATION

Depreciation is calculated to write off the value of the assets over the expected useful life using the following rates

Equipment Straight Line over 4 Years

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Notes to the accounts

(cont.)

For the year ended 31 March 2012

Note 3		Analysis of incoming resources			
	Analysis	Unrestricted £	Restricted £	This year £	Last year £
Donations,	Arts Council	69,336	-	69,336	74,476
Legacies	Necl City Council Cultural Choice Hub	-	-	-	36,100
and Grants	Disability Arts/ Human Rights	-	-	-	1,221
	Northumberland Business Services	-	-	-	1,000
	Grants for the Arts	-	-	-	927
	Total	69,336	-	69,336	113,724
Fees for	Earned Income	-	2,396	2,396	-
Charitable	The Sage - Contribution to Hub website	-	1,000	1,000	-
Services	Total	-	3,396	3,396	-
Investment	Interest Received	56	-	56	-
Income	Total	56	-	56	-
Misc.	Other income	144	62	206	63
	Total	144	62	206	63

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Notes to the accounts

(cont.)

For the year ended 31 March 2012

Note 4 Analysis of resources expended

	Analysis	Unrestricted £	Restricted £	This year £	Last year £
Wages, and Salaries,	Salary Costs	50,589	5,102	55,691	24,549
	Freelance	223	-	223	9,280
	Total	50,812	5,102	55,914	33,829
Charitable Activities	Artistic expenditure	-	4,403	4,403	-
	Marketing and promotion	15	4,215	4,230	2,133
	Other project activities	-	8,919	8,919	1,397
	Small project equipment	-	767	767	-
	Travel	515	-	515	1,085
	Training	380	-	380	-
	Total	910	18,304	19,213	4,615
Premises Costs	Rent, rates	12,132	-	12,132	11,398
	insurance	445	-	445	-
	Light and heat	463	-	463	-
	Total	13,040	-	13,040	11,398
Office Expenses	General office expenses	1,037	-	1,037	2,245
	Telephone and fax	1,094	-	1,094	1,044
	Print post stationery	305	-	305	-
	Subscriptions and memberships	194	-	194	-
	Small office equipment	300	-	300	-
	Total	2,931	-	2,931	3,289
Legal and professional fees	Legal and professional fees	170	-	170	963
	Total	170	-	170	963
Governance	Board and hospitality	339	-	339	1,135
	Independent examination of accounts	720	-	720	600
	Total	1,059	-	1,059	1,735
Depreciation	Depreciation	1,427	-	1,427	358
		1,427	-	1,427	358

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Notes to the accounts

(cont.)

For the year ended 31 March 2012

Note 5

5.1 Trustee expenses

	This year	Last year
Number of trustees who were paid expenses	None	None
Nature of the expenses		
Total amount paid	-	-

5.2 Fees for examination of the accounts

	This year £	Last year £
Independent examiner's or auditors' fees for reporting on the accounts	720	600

Note 6

Paid employees

6.1 Staff Costs

	This year £	Last year £
Gross wages, salaries and benefits in kind including employer's National Insurance costs	55,691	24,549
Total staff costs	55,691	24,549

6.2 Average number of full-time equivalent employees in the year

	This year Number	Last year Number
	2	2
Total	2	2

No Employee received remuneration of more than £60,000 during the year (2011 - nil)

ARCADEA

Notes to the accounts

(cont.)

For the year ended 31 March 2012

Note 7	Tangible fixed assets	Equipment	Total
		£	£
	Balance brought forward	5,732	5,732
	Additions	-	-
	Balance carried forward	<u>5,732</u>	<u>5,732</u>
	Balance brought forward	358	358
	Depreciation charge for year	1,427	1,427
	Balance carried forward	<u>1,785</u>	<u>1,785</u>
	Brought forward	<u>5,374</u>	<u>5,374</u>
	Carried forward	<u>3,947</u>	<u>3,947</u>

Note 8 Debtors and prepayments

Analysis of debtors

Amounts falling due within one year

	This year	Last year
	£	£
Northumberland Business Services	-	1,000
Disability Arts/Human Rights	-	636
Trade debtors	1000	75
Other debtors	1589	-
Total	<u>2,589</u>	<u>1,711</u>

Note 9 Creditors and accruals

9.1 Analysis of creditors

Amounts falling due within one year

	This year	Last year
	£	£
Inland Revenue p/e 5 April 12	4,306	3,988
Trade creditors	720	600
Total	<u>5,026</u>	<u>4,588</u>

9.2 Security over assets

There is no loan, overdraft or other creditor holding a charge or other security over any assets of the charity.

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Notes to the accounts

(cont.)

For the year ended 31 March 2012

Note 10 Restricted income funds

10.1 Movements of major funds

Restricted Funds

Fund names	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Fund balances carried forward £
Mimosa	1,103	-	330	-	-	773
Coal Dust	2,274	-	278	-	-	1,996
Cultural Choice Hub	30,685	1,053	20,062	-	-	11,675
Disability Arts/Human Rights	(17)	-	-	-	-	(17)
BIHR	-	2,405	2,736	-	-	331
Total Restricted Funds	34,045	3,458	23,406	-	-	14,097
Unrestricted Funds	28,015	69,536	70,348	-	-	27,203
Total Unrestricted Funds	28,015	69,536	70,348	-	-	27,203