

ARCADEA

ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2014

Registered Charity Number 1046912

ARCADEA

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2014

Contents	Page
Trustees annual report	1 to 6
Independent examiners report	7
Statement of Financial Activities	8
Balance sheet	9
Notes to the financial statements	10 to 14

ARCADEA
Report of the Management Committee

For the year ended 31 March 2014

The Arcadea Management Board, have pleasure in presenting their report and financial statements of the charity for the year ended 31 March 2014.

1. Reference and administrative information

Charity Name	ARCADEA
Registered Charity Number	1046912
Management Board	Ms Pauline Heath Ms Paula Greenwell Ms Karen Sheader Chair Mr George Wallace Ms Janice Irving Resigned 22/01/14 Ms Helen Atkin Resigned 17/07/13 Mr Stuart Bracking Resigned 17/07/13 MS Dianne Little Appointed 10/01/14 Mr Bill Norman Appointed 30/07/14 MS Gemma Lockyear Appointed 30/07/14
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	The Co-operative Bank PLC Norfolk House, 84/86 Grey St, Newcastle upon Tyne, NE1 6BZ

ARCADEA

Report of the Management Committee

For the year ended 31 March 2014

2. 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.

3. Chair's Statement

This year was our first full year in our new premises at Commercial Union House, and one that saw the organisation grow from strength to strength. The organisation became financially sustainable through earned income, allowing us to run our core activities and our central project the HUB, without dependency on grant aid. Because of this we were better able to focus more of our resources on developing new streams of work.

We continued to work closely with disabled people and their organisations, statutory, voluntary and cultural services in the region towards our aim of making the arts more accessible to disabled people, in doing so we have become recognised as a significant and innovative provider of cultural services for disabled people.

As in recent years, the HUB was and has been a large focus of Arcadea's work during 13/14 and continues to have a profound and positive effect on our organisation. Providing us with constant contact with a steady cohort of learning disabled people and the community that supports learning disabled people who we work closely with to develop and explore new approaches to inclusion and creativity.

Through establishing the Hub, we are now well on our way to achieving the four aims of our three-year strategy.

However, Arcadea is a charity and an arts organisation of and for disabled people. Therefore we have and will continue to work hard to balance our aim of being financially stable and working locally with our mission, which is to use art and culture to transform the lives of disabled people, throughout the North East of England.

ARCADEA

Report of the Management Committee

For the year ended 31 March 2014

4. Premises

This was our first full year at our new base here at Commercial Union House. The premises have proved to be excellent for our needs, the space available and the lack of restriction on how we use it, has allowed us to be far more ambitious in both the size and type of work we can now undertake.

Towards the end of the year adjacent space became available which we took on and swiftly filled with activity and resources.

The extra space provided us with the potential for meeting rooms, an artist in residence studio, workshops, messy rooms and a sensory space, all of which were being put into place as the year ended.

Commercial Union House has 6 large floors all of which house cultural entrepreneurs, artists, performers and so on. We frequently work with these individuals and organisations sharing skills and forwarding their understanding of working alongside disabled people.

5. Project Work

With excellence as the overriding context, with each Hub project we set out to achieve one or more of the following aims–

- Enhance and support the lives of Disabled People
- Raises awareness and reach out to the public
- Challenge and develop the skills and creativity of our members
- Be innovative
- Reach out and collaborate with others

The Late Shows: Our first big event of the year was the Late Shows Coordinated by the Tyne and Wear Museums Service. The Late Shows are a big event in the Newcastle/Gateshead cultural calendar, when more than 60 cultural organisations open their doors, for free, for two evenings in May. Thousands of people attend late show events, and for the group this would be the highest profile event the HUB had presented or taken part in.

We present an improvised piece called the Hubcap Café at which the audience, while having a cup of tea, could savour the atmosphere and drama of a greasy roadside café, which featured a huge four lane Scalextric track. In preparation a huge amount of work was done by the group rehearsing and designing and making costumes and props, with artists from other floors helping out. The reward was that over a thousand people were to visit the HUB for the event.

Nexus and Byker Metro: The group was invited, alongside two other community groups, by Nexus Travel to work with the photographer Judy Thomas on a pinhole photography that resulted in a giant mural being installed in Byker Metro Station.

ARCADEA

Report of the Management Committee

For the year ended 31 March 2014

The Summer Barbecue: Hosted at our second space, Charles Street community centre in the East End, our second annual Barbie had, appropriately, an Australian theme the centre was jam packed with life sized personalised surfboards and a huge Ayres Rock as the centre piece of our Scalextric.

Halloween: Our first big Halloween Party brought disabled people from all over Newcastle to our haunted mansion themed space, competitions, loads of dry ice, a bar, mug printing, a graveyard race track and an awesome Frankenstein's monster combined to produce a night that is still being talked about.

Christmas: The first Christmas party in our own space provided lots of momentum for drama and film. We presented our own animations, and had small awards ceremony to recognise all of the hard work everyone had put in over the year.

New Years Eve: For the second year we took part in the Newcastle New Year's Eve parade. In the weeks preceding and with lots of help from dancer and choreographer Emma McGurrell, the group performed with hundreds of others to thousands of people to see out 2013.

6. Strategic Development

Youth Work: Towards the end of the year we began to put in place a new stream of work that will see us focus on young disabled people and their families. Our discussions with parents and young disabled people have paved the way for the launch of a youth arts club late in 2014.

The Blue Card: This is a simple scheme that provides a safety net learning disabled people should they need help in an emergency. Members of the HUB redesigned the look, feel and management of the scheme making it more attractive, easier to use, more discreet and relevant to the needs of its users and, importantly, those of the emergency services. More than 1,000 cards had been distributed across the city 2014.

HUB Tickets: The year saw the HUB ticket scheme continue to grow in popularity. Loosely modelled on the Shape London Ticket Scheme. On joining, members receive a membership card that can be used at most of the Newcastle Gateshead cultural venues to secure a free ticket for an accompanying carer or support worker.

The Hubble: As we have already reported, many of the people we aim to support either do not have ready access to the Internet or have profound difficulty in using it. For the HUB it is very important that Learning disabled people not only have access to arts and culture, but they know what's going on and where to find it. In response we began publishing our own print newsletter the Hubble. We distribute 500 copies every 4 months during the year and estimate a readership of 800 (including the online edition).

ARCADEA
Report of the Management Committee

For the year ended 31 March 2014

The Consortium: Collaborative and partnership working are very important aspects of the HUB. During this year we continued to develop our consortium with Liberdade and Twisting Ducks, both of which are similar to the HUB in size and purpose. With help from Community Companies CIC and SES we developed a Memorandum of Understanding that will take our collaborative efforts forward into 2014 – 15

We will continue to examine:

- Transport - Making access to our own services and to cultural activity across the region easier for learning disabled people.
- Support - Examining how we might make mainstream arts and culture more accessible for those people who require support or assistance in order to take part.
- Space - Considering how we might establish jointly managed work-spaces.
- Resources - Evaluating how we might share some of the capital and running costs of our organisations.

7. In Conclusion

Arcadea entered its first full year in its new home with looking forward to fulfilling the potential the space had to offer. We largely achieved more with the space more than we could have imagined and are still discovering new ways to make the space more vibrant and welcoming.

As with previous years the project work has been exciting, and as we go along we are making and developing new partnerships that will hopefully lead to more of the same type of work that the community at large can benefit from as well as our members.

Finally I would like to thank not only the staff and artists, many of whom often work for free, but also the volunteers that worked with us throughout the year and made our service a very pleasant place to be and my fellow trustees for their continued an ongoing support.

8. Financial Review

This year Arcadea was funded principally by fees for attendance at Hub Club. The total income for the year was £139,541 (2013: £85,200) being an increase of 63 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 2014, shows a deficit across all funds of £ 5,584 (2013: deficit £30,249).

The Balance Sheet at 31 March 2014 shows total funds carried forward of £5,468 (2013: £11,052) of which £93 (2013: £1,327) are restricted funds.

ARCADEA
Report of the Management Committee

For the year ended 31 March 2014

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 currently £5,375. It has established a policy whereby the unrestricted funds held by the charity should be between 3 and 6 months of annual expenditure. At 31 March 2014 the present level of reserves represents less than 1 month of running costs which falls short of the target level, although the strategy is to continue to build reserves through planned operating surpluses which the trustees believe to be prudent in light of challenges faced in securing funding.

9. 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: 29/01/2015 and signed on their behalf by:

Karen Sheader

Chair

ARCADEA

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2014

I report on the financial statements of Arcadea for the year ended 31 March 2014, which are set out on pages 8 to 14

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 year under section 144(2) of the Charities Act 2011(the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 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 2011 Act;
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 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 FCIE
Ellison Services Limited
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF
Date: 30/01/2015

ARCADEA

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2014

	Note	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
<u>Incoming resources</u>					
From generated funds					
Voluntary income	3	4,080	-	4,080	13,000
Investment income (bank interest)		9	-	9	44
From charitable activities	5	135,452	-	135,452	72,156
<i>Total incoming resources</i>		139,541	-	139,541	85,200
<u>Resources expended</u>					
Charitable activities	6	141,986	2,316	144,302	114,500
Governance costs	7	822	-	822	949
<i>Total resources expended</i>		142,808	2,316	145,124	115,448
<i>Net incoming (outgoing) resources before transfers</i>		(3,268)	(2,316)	(5,584)	(30,249)
<u>Gross transfers between funds</u>	16	(1,082)	1,082	-	-
<i>Net movement in funds</i>		(4,350)	(1,234)	(5,584)	(30,249)
<u>Total funds brought forward</u>		9,724	1,327	11,052	41,301
<i>Total funds carried forward</i>		5,375	93	5,468	11,052

The notes on pages 10 to 14 form an integral part of these accounts.

ARCADEA

BALANCE SHEET

As at 31 Mar 2014

	Note	£	Total 2014 £	£	Total 2013 £
Fixed assets					
Tangible assets	12		1,391		2,888
Total fixed assets			1,391		2,888
Current assets					
Debtors and prepayments	13	500		2,000	
Cash at bank and in hand	14	8,071		11,627	
Total current assets			8,571	13,627	
Less:					
Creditors: amounts falling due within one year	15	(4,494)		(5,463)	
Net current assets			4,077		8,164
Total assets less current liabilities			5,468		11,052
Funds of the charity					
Unrestricted income funds			5,375		9,724
Restricted income funds			93		1,327
Funds of the charity			5,468		11,052

The notes on pages 10 to 14 form an integral part of these accounts.

These financial statements were approved by the Board on: 29/01/2015

and are signed on its behalf by: Karen Sheader
Co - Chair _____

Pauline Heath
Trustee _____

ARCADEA

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

1 Basis of preparation

- (a) These financial statements have been prepared under the historical cost convention and in accordance with the special provisions of Part 15 of the Companies Act 2006, the Financial Reporting Standard for Smaller Entities (FRSSE) (effective April 2008) and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005).

2 Accounting policies

INCOMING RESOURCES

2.1 Form of financial statements

- (a) Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- (b) Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal

2.2 Incoming resources

- (a) 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.
- (b) Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.
- (c) Bank interest is recognised when it is credited to the account

EXPENDITURE AND LIABILITIES

2.3 Liability recognition

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

2.4 Governance costs

- (a) Include costs of the preparation and examination of statutory accounts, the cost of trustee meetings and cost of any legal advice to the trustees on governance or constitutional matters

ASSETS

2.5 Tangible fixed assets for use by the charity

- (a) Fixed Assets are stated at cost less accumulated depreciation, the costs of minor additions or those costing below £500 are not capitalised. Depreciation is provided at rates calculated to write of the cost of each asset over its expected useful life which is estimated as follows:

Office and computer equipment -25% straight line

ARCADEA

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

Analysis of incoming resources

	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
3 Voluntary income				
Newcastle City Council (Blue Card)	-	-	-	1,000
Lloyds TSB Foundation	4,000	-	4,000	12,000
Donations	80	-	80	-
	<u>4,080</u>	<u>-</u>	<u>4,080</u>	<u>13,000</u>
4 Investment income				
Bank interest	9	-	9	44
	<u>9</u>	<u>-</u>	<u>9</u>	<u>44</u>
5 Incoming resources from charitable activities				
Hub Club earned income	135,399	-	135,399	70,844
Other earned income	-	-	-	1,140
Other income	54	-	54	172
	<u>135,452</u>	<u>-</u>	<u>135,452</u>	<u>72,156</u>

ARCADEA

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

Analysis of resources expended

	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
6 Charitable activities				
<u>Direct costs</u>				
Wages and salaries	72,795	1,996	74,791	51,688
Freelance costs	23,710	-	23,710	923
Artistic expenditure	3,714	320	4,034	19,870
Marketing and promotion	227	-	227	3,911
Room hire	1,300	-	1,300	1,000
Other project activities	8,154	-	8,154	8,450
Small project equipment	909	-	909	-
Web site	-	-	-	500
Client transport costs	19,474	-	19,474	11,982
Training	-	-	-	20
	130,282	2,316	132,598	98,343
<u>Support costs</u>				
Rent and rates	7,559	-	7,559	10,106
Insurance	476	-	476	467
Light and heat	-	-	-	428
General office expenses	267	-	267	689
Telephone and fax	987	-	987	1,134
Print, post & stationery	264	-	264	498
Subscription and membership	382	-	382	72
Small office equipment	33	-	33	346
Legal and professional fees	240	-	240	921
Depreciation	1,497	-	1,497	1,497
	11,704	-	11,704	16,156
7 Governance costs				
Independent examiner's fee	756	-	756	600
Board meetings	66	-	66	349
	822	-	822	949

8 Trustee expenses

No trustees were paid expenses during the period. (2013 £nil)

	2014 £	2013 £
9 Fees for examination of the accounts		
Independent examiner's fees for reporting on the accounts	756	720
Other fees paid to the examiner	-	-
	756	720

ARCADEA

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

10 Staff costs and emoluments

Gross wages, salaries and benefits in kind	70,079	47,085
Employer's National Insurance costs	4,711	4,603
	<u>74,791</u>	<u>51,688</u>

No employee received remuneration above £60,000

11 Average number of full-time equivalent employees for the year

	2014 Number	2013 Number
The parts of the charity in which the employee's work	3.0	2.0
Charitable activities	3.0	2.0
	<u>3.0</u>	<u>2.0</u>

12 Tangible fixed assets

	Equipment £	Total £
Cost		
Balance brought forward	6,170	6,170
Additions	-	-
Disposals	-	-
Balance carried forward	<u>6,170</u>	<u>6,170</u>

Depreciation

Balance brought forward	3,282	3,282
Depreciation charge for year	1,497	1,497
Disposals	-	-
Balance carried forward	<u>4,779</u>	<u>4,779</u>

Net book value

Brought forward	<u>2,888</u>	<u>2,888</u>
Carried forward	<u>1,391</u>	<u>1,391</u>

13 Debtors and prepayments (receivable within 1 year)

	2014 £	2013 £
Other debtors	500	2,000
	<u>500</u>	<u>2,000</u>

ARCADEA

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2014

14 Bank and cash balances

	2014	2013
	£	£
Bank current account	7,752	11,627
Cash in hand	319	-
	<u>8,071</u>	<u>11,627</u>

15 Creditors and accruals (payable within 1 year)

	2014	2013
	£	£
Trade creditors	1,476	1,820
Other creditors - HMRC quarter 4	2,178	3,643
Accruals and deferred income	840	-
	<u>4,494</u>	<u>5,463</u>

16 Movements of major funds

	Fund balances brought forward	Incoming resources	Resources expended	Transfers	Fund balances carried forward
	£	£	£	£	£
Restricted fund					
Mimosa	773	-	-	(680)	93
Coal Dust	1,996	-	(1,996)	-	-
Cultural Choice Hub	320	-	(320)	-	-
Disability Arts / Human Rights	(17)	-	-	17	-
BIHR	(663)	-	-	663	-
Blue Card	(1,067)	-	-	1,067	-
Cultural Companion	(16)	-	-	16	-
Totals	<u>1,327</u>	<u>-</u>	<u>(2,316)</u>	<u>1,082</u>	<u>93</u>
Unrestricted fund					
General funds	9,724	139,541	(142,808)	(1,082)	5,375
Totals	<u>9,724</u>	<u>139,541</u>	<u>(142,808)</u>	<u>(1,082)</u>	<u>5,375</u>

Transfers

In agreement with the management board £680 of the remaining balance on Mimosa was transferred to the Human Rights & BIHR work. The overspend on the Blue Card and Cultural Companion was written off against the HUB income as these were part of the HUB Club.