

REGISTERED COMPANY NUMBER: 02618453 (England and Wales)
REGISTERED CHARITY NUMBER: 1007409

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2022
for
Milton Keynes Arts Centre Ltd

Willsons (Higham Ferrers) Ltd
Chartered Accountants
Statutory Auditors
Carlton House
High Street
Higham Ferrers
Northamptonshire
NN10 8BW

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for the Year Ended 31 March 2022

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TRUSTEES	Ms P E Sebire Gallerist (resigned 18.11.21) Ms L M Keen Ms V A Wallersteiner A Albaghdadi M Smythe Artist Producer J F Clements Trustee H Askar Trustee Ms H M Bhatti Trustee (resigned 9.9.21) Miss A D Barnett (appointed 20.1.22)
REGISTERED OFFICE	Great Linford Arts Workshop The Barn Office Parklands, Great Linford Milton Keynes MK14 5DZ
REGISTERED COMPANY NUMBER	02618453 (England and Wales)
REGISTERED CHARITY NUMBER	1007409
AUDITORS	Willsons (Higham Ferrers) Ltd Chartered Accountants Statutory Auditors Carlton House High Street Higham Ferrers Northamptonshire NN10 8BW

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity, as set out in the company's Memorandum of Association, are:

"to promote the benefit of the inhabitants of the designated area of Milton Keynes and the neighbourhood without the distinction of sex or of political, religious or other options by associating with the local authorities, voluntary organisations, Milton Keynes Development Corporation and the inhabitants in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants".

OBJECTIVES AND ACTIVITIES

Significant activities

What is Milton Keynes Arts Centre?

Milton Keynes Arts Centre is a multidisciplinary arts centre set in the historic grounds of Great Linford Manor Park. Established in 1974 as an independent arts and education charity, the charity presents a programme of exhibitions, live events and educational activities inspired by contemporary craft, design and the visual arts. The charity also provides artists with access to specialist resources and the space to explore new ideas, often developed in tandem with Milton Keynes' communities.

Milton Keynes Arts Centre strives to be a vital resource for the community, enriching the lives of those that live and work in Milton Keynes, as well as establishing a national reputation within the UK craft and design sectors, demonstrating the potential of creativity to change lives.

The charity's unique heritage site provides a sense of wellbeing for local schools, families, older users and Milton Keynes' marginalised communities. A year-round programme of exhibitions, workshops and events offers a safe and supportive environment for diverse communities to work together and learn together, exchanging skills and knowledge, opening up new avenues to further learning and employment.

Milton Keynes Arts Centre works in partnership with both local and national organisations including Milton Keynes Council, the African Diaspora Foundation, The Parks Trust MK, Arts for Health MK and Arts Council England. Despite being closed for the first 3 months of the financial year due to the pandemic, in the period 1 April 2021 - 31 March 2022, Milton Keynes Arts Centre welcomed 25,053 visitors to its site, engaged with a further 2,759 visitors through its outreach work as well as livestreamed or recorded online content; its website received 186,636 page views from 33,751 users; it commissioned 15 unique artworks and supported 39 artists to both work with Milton Keynes communities in developing artworks and leading creative activities for public benefit.

Milton Keynes Arts Centre's Vision

Exploring contemporary craft, design and the visual arts, our creative spaces offer flexible and supportive environments that unlock and showcase talent and nurture ideas enabling exchange across generations and communities, demonstrating the potential of creativity to change lives.

What does Milton Keynes Arts Centre do?

It offers life enriching encounters between audiences and artists, engaging public in dynamic conversations around craft, design and the visual arts.

It encourages artists to celebrate Milton Keynes and to imaginatively engage with the city's unique heritage.

It celebrates diversity by presenting a range of different views, voices and perspectives and being more reflective of the diversity of Milton Keynes.

It is entrepreneurial by seeking new partnerships, funding streams and examining new trends in support and giving to ensure our organisational style is fit for purpose through our resources, management, governance and leadership.

Craft, Design and Visual Arts

Milton Keynes Arts Centre delivers a year-round programme of exhibitions, creative workshops, events, a community outreach programme and artists' studios. Our courses and masterclasses offer a wide range of high-quality artist-led activity within specialist workshop facilities. The programme offers activity for both adults and children through structured, engaging and experimental experiences.

In 2021-22, the Arts Centre worked with artists Juneau Projects and Maddi Nicholson in delivering projects within Milton Keynes communities that are ranked among the 10% most deprived in the UK. With Brooklands Farm Primary School and the African Diaspora Foundation, it developed events and resources designed to increase understanding of African culture through contemporary practice, particularly among young people. As well providing creative opportunities for 2,577 people through its courses, the Arts Centre also developed - in collaboration with Arts for Health MK - a new programme of work specifically targeted at young people aged 12-17 whose mental health had suffered during the pandemic. Milton Keynes Arts Centre is committed to continuing its work in enabling more people from lower socio-economic backgrounds and of diverse cultural heritages to engage with and benefit from access to the arts, as well as to support mental wellbeing.

OBJECTIVES AND ACTIVITIES

Public benefit

Milton Keynes Arts Centre is a registered charity and provides an extensive range of benefits to the public. The benefits include access to specialist making resources including ceramics, wood, silversmithing, metal work and creative workspaces.

A year-round programme of free community outreach projects and professional development initiatives provide schools, colleges and our communities with opportunities to engage with an extensive number of creative practitioners.

Free family workshops, masterclasses, creative courses, talks, screenings, events and exhibitions all contribute to a sense of well-being. While the charity's grounds offer access to a number of unique heritage buildings. In determining these activities, the trustees have referred to the Charity Commission's guidance on public benefit.

During the year 2021-22, 27,812 people took part in, experienced or visited activities organised by Milton Keynes Arts Centre. These activities comprised 6 exhibitions, 4 artist projects and 449 workshops for adults and children.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Ngoma Bishop and the African Diaspora Foundation: Complexity of Heritage

April - July 2021

Continuing from 2020-21, on 27 May, 3 and 10 June, artists Alondene Phillips and Andrew Macdermott led 6 ceramic sessions with young people from the African Diaspora Foundation. A series of vessels were formed, which were then decorated with decals of the poems written under the guidance of the writer, Ngoma Bishop. These vessels were exhibited at the African Diaspora Festival on 3 July, which was attended by in excess of 1000 people.

Juneau Projects: The Great Linford Ecology Project

April 2021- March 2022

Developed in collaboration with community groups in 2020-21, the artist duo Juneau Projects presented an exhibition of signs in Great Linford Manor Park from April - September 2021, during which time the park was visited by 23,465 people. On 11 July and 2 August, the artists led collage workshops at both the Arts Centre and at The Little Bookshop in Great Linford Local Centre. Then, on 12 September, with artists Alondene Phillips and Andrew Macdermott, local people created wooden and ceramic sculptures under Juneau Projects' guidance. With these participants, and through 3 consultation events with local schools, family and school activity packs were created for use in conjunction with the sculptures, which were installed in trees around the Park. This art trail was launched on 12 March 2022 with around 60 people in attendance. The artworks will remain in Great Linford Manor Park until September 2022. By the end of March 2022, 200 of the activity packs had been collected by visiting families.

Family First Saturday

3 April, 3 July & 7 August 2021

20 children and their family members took part in an online workshop led by ceramicist, Andrew Macdermott, in making hibernating animals in April. Then, over the summer, artists Alondene Phillips and Sarah Hunt led in-person creative workshops which involved 34 children and their family members.

Tang Kwok-hin: Peer to Peer

June - July 2021

As part of Peer to Peer: an exchange between cultural organisations in Hong Kong and the UK, 182 children from Brooklands Farm Primary School in Milton Keynes received individual gifts from the Hong Kong-based artist, Tang Kwok-hin. The gifts comprised paper cups, each with a Chinese symbol on its base. On a daily basis between 16 June and 14 July, the children were asked to put a word or a drawing into the cup representing both their day and sense of wellbeing. During this period, the children also researched and learnt about life in Hong Kong and, at the project's conclusion, shared some of their words and pictures to create a joint artwork as a thank you to the artist.

Maddi Nicholson: Home

June - September 2021

Between 14 - 18 June 2021, the artist Maddi Nicholson invited people in Milton Keynes to take her on a walk of their neighbourhoods. This included walks around Great Linford, Netherfield, Beanhill, Eaglestone and Central Milton Keynes. Following her visit, the artist developed both paper and fabric cutting patterns for five miniature Milton Keynes houses and, from 13 - 17 September, returned to the city to work with local schools and community groups in turning these patterns into a miniature housing estate. The artist led 8 workshops with groups from MacIntyres, Great Linford Primary School and Moorland Primary School as well as public workshops in Netherfield and Great Linford, involving over 70 people. Around 100 houses were created, which then toured Milton Keynes between 28 September - 2 October alongside a giant inflatable house from the artist's home town, Barrow-in-Furness. The exhibition attracted almost 400 people over 4 days. A series of limited-edition house-making kits were also created to sell, with 50% of proceeds going back into the areas from which the houses came. The project continues in summer 2022.

African & Caribbean Sports & Heritage Day

1 August 2021

Ciara Callaghan led a free indigo dye drop-in as part of the African & Caribbean Sports & Heritage Day in Campbell Park on 1 August for around 50 participants.

Art on Prescription

September - December 2021

Supported by an Assura grant, 19 jewellery and painting workshops for 29 adults referred to the Arts Centre for reasons of poor mental health took place in person or online and were led by the artists Chantelle Stephenson and Beccy Gillat.

Heritage Open Day

18 September 2021

Milton Keynes Arts Centre led activities as part of the Heritage Open Weekend at Great Linford Manor Park. The event, which also marked the end of The Parks Trust's Heritage Lottery Project, attracted an audience of 3,033 and 262 people took part in Arts Centre-specific activities led by artists Rachael Inwood, Heather Porte, Rosie May, Andrew Macdermott and Sarah Hunt, which offered free taster workshops in ceramics, drawing and painting, weaving, drama and music.

A Celebration of African Art & Culture

September 2021 - March 2022

With grant aid from the Radcliffe Trust and coordinated by the artist, Shepherd Manyika, the artists Uthman Wahaab, Levi Naidu-Mitchell and Zethu Maseko worked with a group of 13 year 5 and 6 pupils from Brooklands Farm Primary School over 6 weeks to learn about African culture through contemporary practice.

With the artist Uthman Wahaab, the group learnt new drawing techniques inspired by ancestral African art dating as far back as 600 BC: art that influenced many of the twentieth century's most celebrated western artists, including Pablo Picasso. By taking the group through the drawing process, Wahaab challenged the notion of African art as primitive.

With Levi Naidu-Mitchell, the group were then introduced to the Moko Jumbie: a spirit healer of towering height who is said to have walked across the Atlantic Ocean from West Africa to Trinidad to care for the people there. The story of the Moko was kept alive by colonial slaves in the Caribbean and their descendants. Today, the spirit lives on in carnivals as a stilt walking dancer. Levi Naidu-Mitchell encouraged the group to imagine the real Moko Jumbie by creating giant shoes for him, or her, to wear.

The artist, Zethu Maseko, taught the group how to weave and, through this, examined how the history of weaving could be used to explore the richness and variety of African heritage.

Finally, with Shepherd Manyika, the group explored colour and pattern to create both individual and collective artworks inspired by African prints as well as personal photographs, memories and associations.

The project culminated with a public event at the Arts Centre on 10 December, which was attended by 286 people and included Moko Jumbie stilt walkers, an Ethiopian coffee ceremony, food from across the African continent, music, beadmaking demonstrations, artist-led drop-in activities and an exhibition of the children's work. The project informed the creation of an online school resource with practical guidance to classroom activities.

On Saturday 19 March, Milton Keynes Arts Centre was presented with an organisation award for 'services to the community' by the African Diaspora Foundation as a direct consequence of this project.

Black History Month

16 & 30 October 2021

The artist Saint Akua led 2 workshops as part of Black History month. On Saturday 16 October she led a Kente Paper Wall Hanging workshop with local families. Kente is a traditional Ghanaian cloth from the Asante and Ewe tribe, hand-woven with strips of cotton and silk. Historically the cloth was worn by royalty; today it is worn to celebrate special occasions. The second workshop on 30 October was assisted by Alondene Phillips and explored African-inspired pottery with adults from Arts for Health and the African and Caribbean Arts and Heritage Union.

Exploring Identities

October - December 2021

In partnership with Arts for Health MK and The Parks Trust MK, the organisation worked with 5 artists in delivering 12 workshops for 11 young people aged 12-17 who had been referred to the partners for reasons of poor mental health.

Create and Play Outdoors

October 2021 - March 2022

Fortnightly artist-led sessions for under-5s and their families explored the green spaces around the Arts Centre, with a total of 90 children, their infant siblings and parents or guardians attending over 10 workshops.

Katerina Šedá: I Live Here

1-5 November 2021

Katerina Šedá is a leading artist in the arena of socially-engaged practice, with bases in Prague and Brno. In November the Arts Centre invited the artist to visit Milton Keynes, with a view to developing a project in, and with residents of, one of the city's earliest estates in 2023. She returns in October 2022 to consult with residents of Eaglestone.

A Celebration of Hindu Culture

20 November 2021

With the Hindu Association, the Arts Centre presented a day of activities including making sweets, Diya (floating candles) and sand Rangoli; learning Garba dance and dressing up. This free event, with a capacity of 60, was over-subscribed.

Make Christmas

12 December 2021

Artists Saint Akua, Katie Ellen Fields, Sarah Hunt and Chantelle Stephenson facilitated a 2-hour virtual Christmas making event for a total of 12 participants.

Harold Offeh: Walk the Talk

February - March 2022

From 21-25 February, the artist Harold Offeh visited Milton Keynes and walked from Wolverton to Bletchley, during which he was joined by 56 people including local residents as well as the people affiliated to Sew & Grow in Wolverton, the Frank Moran Centre in Bletchley, and residents of the YMCA in Central Milton Keynes.

Offeh returns to Milton Keynes in April 2022 to work with these groups and individuals to create a collective map of Milton Keynes representing people's memories and stories of the places in which they live.

SOFEA workshops

14, 19 & 24 March 2021

Artist Sophia Ghory led 3 workshops for 31 young people aged 16-19 who had been excluded from education and were out of training and employment.

FINANCIAL REVIEW

Financial position

The organisation develops its annual budget through our established financial project toolkit. This provides a detailed breakdown of expenditure and forecasts income. It enables the organisation to clearly identify funding and operational requirements. The budget is reviewed on a quarterly basis with monthly financial Sage data provided to trustees. As in previous years this approach allows us to clearly articulate our funding requirements to partners and provide, at a glance, the costing of delivering individual aspects of the organisation's activities thus enabling the further development and delivery of a high quality focused and sustainable programme.

Unrestricted funds total income was £114,952 compared to £83,479 in 2021.

The deficit after restricted fund transfers on unrestricted funds was £9,658 compared to a surplus of £77,328 in 2021.

See statement of financial activities for results

Investment policy and objectives

Under the Memorandum and Articles of Association, the charity has the power to invest in any way which is to its benefit.

The trustees, having regard to the liquidity requirement for the operation of the organisation's activities and reserves policy, have operated a policy of keeping an appropriate level of available funds in an interest-bearing account.

FINANCIAL REVIEW

Reserves policy

Milton Keynes Arts Centre is currently dependent on annual grants from Milton Keynes Council to sustain its activities, as earned income alone would not allow the charity to continue operating. Milton Keynes Arts Centre is also an Arts Council National Portfolio Organisation. Originally, Arts Council funding was secured until 31 March 2022 but in 2021 the Arts Centre was successful in its application for an extension to this funding, which now runs until 31 March 2023. If both Milton Keynes Council and Arts Council England were to cease their grant funding, it is likely that Milton Keynes Arts Centre would have to close down.

To avoid closure if funding difficulties were to arise, the trustees have agreed to keep a certain level of financial reserves to ensure that main operations can continue for a period of up to 6 months.

The main concerns of the trustees are to ensure:

- that staff can continue working, primarily to secure new funding
- that users are supported to move on to other facilities and services if this proves to be necessary.

Excluding tangible fixed assets of £18,764, whose disposal would adversely impact the charity's ability to deliver its aims, unrestricted reserves at 31 March 2022 amounted to £141,493.

It has been calculated that reserves of approximately £45,000 would be needed to continue running for at least 3 months, and £78,000 for at least 6 months. The trustees are therefore seeking ways to maintain the level of the charity's reserves over the next few years and still deliver discretionary projects.

Going concern

The Trustees have considered the effect of the ongoing disruption from the pandemic and the current economic downturn on the going concern position. There have been several compounding factors that have been challenging for the charity including audiences unwilling to return to public buildings following closure due to COVID-19 pandemic and reduction in public spending on arts resulting in much lower visitor numbers and audiences and therefore course programme income.

Due to the strong level of funding already secured with its key partners, Arts Council England and Milton Keynes Council, including emergency and other funding obtained at the balance sheet date, the charity holds sufficient cash balances to absorb reasonably expected short-term deficits for at least 12 months from approval of these financial statements.

On 4 November, the organisation received the welcome news of a conditional offer from Arts Council England for another 3 year's funding for the period 1 April 2023 - 31 March 2026. The grant offered is £99,803 per annum, totalling £299,409. This annual award enables the organisation to continue to operate. The Trustees recognise however that, with standstill Arts Council funding since 2017, the organisation needs to reduce its overheads and running costs in order to continue as a going concern, especially given the current economic climate. Plans have therefore been put in place to reduce its staffing levels and to close one of its buildings by 31 March 2023. Whilst these measures reduce some of the charity's ability to generate earned income, the Trustees have calculated that any income losses are more than offset by savings in expenditure. Due to the offer by Arts Council England being conditional the charity is still in negotiations and there will be no certainty on the final offer until after the approval of these financial statements. Based on negotiations conducted to date, the trustees have a reasonable expectation that the offer will proceed successfully.

Therefore, after making enquiries and considering the uncertainties described above, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

FUTURE PLANS

June 2017 saw Milton Keynes Arts Centre successfully secure Arts Council England National Portfolio status. This 4-year funding agreement enabled the organisation to expand its programme of community outreach projects and professional development opportunities for Milton Keynes-based practitioners from April 2018. In December 2021, the organisation received confirmation of a further year's funding, that runs until 31 March 2023.

For most of the first quarter of 2021-22, the organisation remained closed in compliance with the national lockdown to control Covid-19 infection rates. An additional grant received through the Culture Recovery Fund, a Business Closure Grant and support through the Job Retention Scheme allowed the Arts Centre to prepare for its safe reopening, whilst protecting the reserves required for it to continue to operate viably. The Arts Centre reopened on 21 June with continued restrictions. All restrictions were lifted on 19 July allowing the organisation to run at capacity from September 2021 onwards. The organisation had however anticipated that the road to recovery would be a long one, both for businesses and communities, and had planned accordingly, with earned income expected to remain below pre-pandemic levels. The Arts Council's extension of the current portfolio funding by a year to the end of March 2023, provides invaluable support during this time.

In 2021-22, the organisation developed programmes of work designed to support individuals and communities most adversely affected by Covid-19, including through partnership working with organisations such as The Parks Trust, the African Diaspora Foundation and Arts for Health; and through projects in areas of Milton Keynes ranked amongst the 10% most deprived in the UK. In 2022-23, the Arts Centre will be transitioning to a new business model designed to ensure the organisation is financed and structured to build upon these programmes, to direct its support where it has greatest impact, whilst remaining financially viable and able to withstand escalating energy costs and depleted disposable income. This new business model is anticipated to come into effect from 1 April 2023 to coincide with the start of its 3-year grant from Arts Council England.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Milton Keynes Arts Centre Limited is a company limited by guarantee and governed by its Memorandum and Articles of Association dated 7th June 1991 and amended to the current governance arrangement on 9th March 2005. It is registered as a charity with the Charity Commission.

As a company limited by guarantee accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Membership of the trust is open to any individual over the age of 18 interested in promoting the objectives (up to a maximum of 12 members) each of whom will have:

- applied to the trust in the form required by the trustees;
- been approved by the trustees whose decision shall be final;
- expressed in writing his / her personal agreement with the mission statement and Objects of the Charity; and
- consented in writing to become a member.

The memorandum and articles state that subscribers to the memorandum and such other persons or organisation as are admitted to membership in accordance with the rules made under Article 61 shall be members of the trust.

No person shall be admitted as a member of the trust unless his application for membership is approved by the trustees.

As set out within the Articles of Association:

- the chair of the trust is nominated by Milton Keynes Arts Centre;
- the number of members of the company shall be no more than twelve; and
- the trust maintains a register of members.

Unless the trustees or the Trust in a general meeting shall make other provisions under Article 61, the trustees may in their absolute discretion permit any member of the trust to retire, provided that after such retirement the number of members is not less than three.

The Trustees may establish different classes of membership and prescribe their respective privileges and duties and set the amounts of any subscriptions. The Trustees shall permit such organisations as they shall approve to become Associate Members, with such entitlements as the Trustees shall from time to time prescribe. For the avoidance of doubt, Associate Members shall not have any of the usual entitlements of a member of a Company, and in particular the right to attend or vote at meetings of the Company.

The Board of Trustees consists of up to twelve elected members and can include co-opted members. When considering co-opting trustees, the board has regard to the requirement for specialist skills, for example, an artist or educator to support programme development.

Elected members are appointed at the Annual General Meeting and the co-opted members are appointed by a meeting of the committee. Trustees are elected for a period of three years, following which they may be re-elected provided that one third of the members and the co-opted members retire and vacancies become available.

All members are circulated with invitations to nominate trustees prior to the AGM. This information is also publicly displayed advising them of the retiring trustees and requesting nominations for the AGM.

The board also has representation from Milton Keynes Council and the potential for representation from other organisations in the form of non-voting advisors; these appointments are determined by the processes of these bodies.

Organisational structure

The board of trustees, which can have up to 12 members, administers the charity. The board meets quarterly and where appropriate there are working groups covering Fundraising and Capital Development. Additional working groups are identified from time to time to meet the operational needs/development of the organisation.

An executive director is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations of the charity, the executive director has delegated authority (within terms of delegation approved by the trustees) for operational matters including finance, recruitment and artistic programme and development.

Induction and training of new trustees

New trustees take part in an induction process which details their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, organisational decision making processes and meeting key staff. This process is supported by reference materials and opportunities to undertake further training.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

Milton Keynes Council provides essential core funding through an annual grant enabling Milton Keynes Arts Centre to offer studio provision and deliver a programme of outreach projects targeting Milton Keynes' disadvantaged communities, along with professional development courses targeting local colleges and families workshops for those living on nearby estates.

The charity also has a number of key relationships with other organisations to support in the delivery of its artistic and community programmes, these include Arts Council England, Heritage Lottery Fund, MK Community Foundation, Radcliffe Trust and Rothschild Foundation, along with a number of smaller trusts and foundations.

The charity has a close relationship with a number of further education establishments including MK College whom the charity works with to provide career and professional development initiatives.

Risk management

The trustees update annually a risk management strategy and register which comprises::

- An annual review of the risks the charity may face;
- The establishment of policy and procedures to mitigate and identified risks;
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Milton Keynes Arts Centre Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 Charity SORP;
- 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.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees 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.

AUDITORS

The auditors, Willsons (Higham Ferrers) Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on and signed on its behalf by:

Milton Keynes Arts Centre Ltd

Report of the Trustees
for the Year Ended 31 March 2022

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Ms L M Keen - Trustee

Opinion

We have audited the financial statements of Milton Keynes Arts Centre Ltd (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Material uncertainty related to going concern

We draw attention to Note - Going Concern, which explains that future funding is still at the negotiation stage and there will be no certainty on the final offer until after the approval of these financial statements. As stated in the note these conditions, along with other matters as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the charity's longer term ability to continue as a going concern longer term.

Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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 these financial statements.

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

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of management in compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of
Milton Keynes Arts Centre Ltd

Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Craig Baird FCA (Senior Statutory Auditor)
for and on behalf of Willsons (Higham Ferrers) Ltd
Chartered Accountants
Statutory Auditors
Carlton House
High Street
Higham Ferrers
Northamptonshire
NN10 8BW

Date:

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2022

	Notes	Unrestricted fund £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		709	1	710	1,864
Charitable activities					
Activities undertaken directly		81,284	178,240	259,524	305,510
Other trading activities	2	2,745	12	2,757	-
Investment income	3	30,214	-	30,214	16,767
Other income		-	-	-	2
Total		<u>114,952</u>	<u>178,253</u>	<u>293,205</u>	<u>324,143</u>
EXPENDITURE ON					
Raising funds		1,659	1,130	2,789	90
Charitable activities					
Activities undertaken directly	5	251,608	72,055	323,663	269,591
Total		<u>253,267</u>	<u>73,185</u>	<u>326,452</u>	<u>269,681</u>
NET INCOME/(EXPENDITURE)		(138,315)	105,068	(33,247)	54,462
Transfers between funds	16	128,657	(128,657)	-	-
Net movement in funds		(9,658)	(23,589)	(33,247)	54,462
RECONCILIATION OF FUNDS					
Total funds brought forward		169,913	49,724	219,637	165,175
TOTAL FUNDS CARRIED FORWARD		<u><u>160,255</u></u>	<u><u>26,135</u></u>	<u><u>186,390</u></u>	<u><u>219,637</u></u>

Milton Keynes Arts Centre Ltd

Balance Sheet
31 March 2022

	Notes	31.3.22 £	31.3.21 £
FIXED ASSETS			
Tangible assets	11	18,764	18,150
CURRENT ASSETS			
Stocks	12	500	500
Debtors	13	2,144	12,638
Cash at bank and in hand		209,424	216,075
		<u>212,068</u>	<u>229,213</u>
CREDITORS			
Amounts falling due within one year	14	(44,442)	(27,726)
		<u>167,626</u>	<u>201,487</u>
NET CURRENT ASSETS			
		<u>167,626</u>	<u>201,487</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>186,390</u>	<u>219,637</u>
NET ASSETS		<u>186,390</u>	<u>219,637</u>
FUNDS	16		
Unrestricted funds		160,257	169,913
Restricted funds		26,133	49,724
TOTAL FUNDS		<u>186,390</u>	<u>219,637</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
L M Keen - Trustee

.....
A Albaghdadi - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Milton Keynes Arts Centre Limited is a company limited by guarantee in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information page of these financial statements. The nature of the charity's operations and principal activities are detailed in the trustees report.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The following specific policies are applied to particular categories of income:

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

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. No recognition has been made for the building at Great Linford as the fair value cannot be measured reliably due to the complexities of covenants on the land and buildings.

Income from trading activities includes income earned from rental income, fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of operation requirements. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Income from investments is included in the year in which it is receivable.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

It is categorised under the following headings:

Costs of raising funds includes the costs associated with attracting voluntary income and the costs of trading for fundraising purposes;

1. ACCOUNTING POLICIES - continued

Expenditure

Expenditure on charitable activities includes those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them; and

Other expenditure represents those items not falling into the categories above.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on cost
Fixtures and fittings	- 33% on cost and 20% on reducing balance

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

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

The Trustees have considered the effect of the ongoing disruption from the pandemic and the current economic downturn on the going concern position. There have been several compounding factors that have been challenging for the charity including audiences unwilling to return to public buildings following closure due to COVID-19 pandemic and reduction in public spending on arts resulting in much lower visitor numbers and audiences and therefore course programme income.

Due to the strong level of funding already secured with its key partners, Arts Council England and Milton Keynes Council, including emergency and other funding obtained at the balance sheet date, the charity holds sufficient cash balances to absorb reasonably expected short-term deficits for at least 12 months from approval of these financial statements.

1. ACCOUNTING POLICIES - continued**Going concern**

On 4 November, the organisation received the welcome news of a conditional offer from Arts Council England for another 3 year's funding for the period 1 April 2023 - 31 March 2026. The grant offered is £99,803 per annum, totalling £299,409. This annual award enables the organisation to continue to operate. The Trustees recognise however that, with standstill Arts Council funding since 2017, the organisation needs to reduce its overheads and running costs in order to continue as a going concern, especially given the current economic climate. Plans have therefore been put in place to reduce its staffing levels and to close one of its buildings by 31 March 2023. Whilst these measures reduce some of the charity's ability to generate earned income, the Trustees have calculated that any income losses are more than offset by savings in expenditure. Due to the offer by Arts Council England being conditional the charity is still in negotiations and there will be no certainty on the final offer until after the approval of these financial statements. Based on negotiations conducted to date, the trustees have a reasonable expectation that the offer will proceed successfully.

Therefore, after making enquiries and considering the uncertainties described above, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2. OTHER TRADING ACTIVITIES

	31.3.22	31.3.21
	£	£
Catering	2,757	-
	<u>2,757</u>	<u>-</u>

3. INVESTMENT INCOME

	31.3.22	31.3.21
	£	£
Rents received	30,200	16,724
Deposit account interest	14	43
	<u>30,214</u>	<u>16,767</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		31.3.22	31.3.21
	Activity	£	£
Fees from programme activities	Activities undertaken directly	68,576	10,403
Milton Keynes council grants	Activities undertaken directly	59,000	84,143
Other grants	Activities undertaken directly	6,300	-
Government grants	Activities undertaken directly	845	15,301
Arts Council grants	Activities undertaken directly	124,803	195,663
		<u>259,524</u>	<u>305,510</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Activities undertaken directly	305,080	18,583	323,663

6. SUPPORT COSTS

	Governance costs £
Activities undertaken directly	18,583

Support costs, included in the above, are as follows:

	31.3.22 Activities undertaken directly £	31.3.21 Total activities £
Auditors' remuneration	3,367	2,520
Accountancy and legal fees	15,216	15,120
	<u>18,583</u>	<u>17,640</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.22 £	31.3.21 £
Auditors' remuneration	3,367	2,520
Depreciation - owned assets	6,813	5,716

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

The total amount of employee remuneration received by key management personnel is £45,900 (2021 - £45,000).

Trustees' expenses

Trustees' expenses reimbursed in the year ended 31 March 2022 were £Nil (2021: £nil).

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**9. STAFF COSTS**

	31.3.22	31.3.21
	£	£
Wages and salaries	144,608	129,573
Social security costs	7,034	6,299
Other pension costs	1,685	3,328
	<u>153,327</u>	<u>139,200</u>

The average monthly number of employees during the year was as follows:

	31.3.22	31.3.21
Management and support	<u>10</u>	<u>8</u>

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,863	1	1,864
Charitable activities			
Activities undertaken directly	64,847	240,663	305,510
Investment income	16,767	-	16,767
Other income	2	-	2
Total	<u>83,479</u>	<u>240,664</u>	<u>324,143</u>
EXPENDITURE ON			
Raising funds	90	-	90
Charitable activities			
Activities undertaken directly	191,222	78,369	269,591
Total	<u>191,312</u>	<u>78,369</u>	<u>269,681</u>
NET INCOME/(EXPENDITURE)	(107,833)	162,295	54,462
Transfers between funds	185,161	(185,161)	-
Net movement in funds	77,328	(22,866)	54,462
RECONCILIATION OF FUNDS			
Total funds brought forward	92,585	72,590	165,175
TOTAL FUNDS CARRIED FORWARD	<u>169,913</u>	<u>49,724</u>	<u>219,637</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**11. TANGIBLE FIXED ASSETS**

	Improvements to property £	Fixtures and fittings £	Office equipment £	Totals £
COST				
At 1 April 2021	44,321	10,915	12,353	67,589
Additions	5,696	1,731	-	7,427
At 31 March 2022	50,017	12,646	12,353	75,016
DEPRECIATION				
At 1 April 2021	34,092	9,840	5,507	49,439
Charge for year	4,971	523	1,319	6,813
At 31 March 2022	39,063	10,363	6,826	56,252
NET BOOK VALUE				
At 31 March 2022	10,954	2,283	5,527	18,764
At 31 March 2021	10,229	1,075	6,846	18,150

12. STOCKS

	31.3.22 £	31.3.21 £
Stocks	500	500

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22 £	31.3.21 £
Trade debtors	2,144	1,179
Prepayments and accrued income	-	11,459
	2,144	12,638

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22 £	31.3.21 £
Trade creditors	6,042	11,838
Social security and other taxes	1,662	2,547
Other creditors	1,700	1,440
Pension	-	853
Accruals and deferred income	25,597	8,528
Accrued expenses	9,441	2,520
	44,442	27,726

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
Fixed assets	18,764	-	18,764	18,150
Current assets	175,935	36,133	212,068	229,213
Current liabilities	(34,442)	(10,000)	(44,442)	(27,726)
	<u>160,257</u>	<u>26,133</u>	<u>186,390</u>	<u>219,637</u>

16. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	169,913	(138,313)	128,657	160,257
Restricted funds				
Skills Exchange	1,205	-	-	1,205
Community Kitchen	208	(85)	-	123
Radcliffe Open Door Project	101	(1,545)	1,444	-
Capital Feasibility	9,953	-	-	9,953
Ernest Cook:The Inside Out Kitchen	227	-	-	227
Powerplant	2,520	(2,520)	-	-
Hey Clay (Kiln Fundraiser)	9,433	-	-	9,433
MK Community Education Project	911	-	-	911
Rothchild Mapping Heritage	4,945	(4,945)	-	-
Artistic Programme	13,080	103,350	(112,952)	3,478
Grocers Charity	1,230	(354)	(141)	735
Assura	1,761	(1,693)	-	68
Covid Fund	4,150	12,858	(17,008)	-
	<u>49,724</u>	<u>105,066</u>	<u>(128,657)</u>	<u>26,133</u>
TOTAL FUNDS	<u>219,637</u>	<u>(33,247)</u>	<u>-</u>	<u>186,390</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	114,952	(253,265)	(138,313)
Restricted funds			
Community Kitchen	-	(85)	(85)
Radcliffe Open Door Project	6,001	(7,546)	(1,545)
Powerplant	-	(2,520)	(2,520)
Rothchild Mapping Heritage	-	(4,945)	(4,945)
Artistic Programme	147,251	(43,901)	103,350
Grocers Charity	-	(354)	(354)
Assura	-	(1,693)	(1,693)
Covid Fund	25,001	(12,143)	12,858
	<u>178,253</u>	<u>(73,187)</u>	<u>105,066</u>
TOTAL FUNDS	<u>293,205</u>	<u>(326,452)</u>	<u>(33,247)</u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	92,585	(107,833)	185,161	169,913
Restricted funds				
Skills Exchange	1,205	-	-	1,205
Community Kitchen	208	-	-	208
Radcliffe Open Door Project	1,741	(2,004)	364	101
Capital Feasibility	9,953	-	-	9,953
Ernest Cook:The Inside Out Kitchen	227	-	-	227
Powerplant	2,520	-	-	2,520
Hey Clay (Kiln Fundraiser)	9,433	-	-	9,433
Europe capital of culture	306	-	(306)	-
MK Community Education Project	911	-	-	911
Rothchild Mapping Heritage	5,132	(187)	-	4,945
Artistic Programme	34,799	102,160	(123,879)	13,080
Grocers Charity	2,155	(925)	-	1,230
Assura	4,000	(2,239)	-	1,761
Covid Fund	-	65,490	(61,340)	4,150
	<u>72,590</u>	<u>162,295</u>	<u>(185,161)</u>	<u>49,724</u>
TOTAL FUNDS	<u>165,175</u>	<u>54,462</u>	<u>-</u>	<u>219,637</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	83,479	(191,312)	(107,833)
Restricted funds			
Radcliffe Open Door Project	1	(2,005)	(2,004)
Rothchild Mapping Heritage	-	(187)	(187)
Artistic Programme	144,803	(42,643)	102,160
Grocers Charity	-	(925)	(925)
Assura	-	(2,239)	(2,239)
Covid Fund	95,860	(30,370)	65,490
	<u>240,664</u>	<u>(78,369)</u>	<u>162,295</u>
TOTAL FUNDS	<u>324,143</u>	<u>(269,681)</u>	<u>54,462</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	92,585	(246,146)	313,818	160,257
Restricted funds				
Skills Exchange	1,205	-	-	1,205
Community Kitchen	208	(85)	-	123
Radcliffe Open Door Project	1,741	(3,549)	1,808	-
Capital Feasibility	9,953	-	-	9,953
Ernest Cook:The Inside Out Kitchen	227	-	-	227
Powerplant	2,520	(2,520)	-	-
Hey Clay (Kiln Fundraiser)	9,433	-	-	9,433
Europe capital of culture	306	-	(306)	-
MK Community Education Project	911	-	-	911
Rothchild Mapping Heritage	5,132	(5,132)	-	-
Artistic Programme	34,799	205,510	(236,831)	3,478
Grocers Charity	2,155	(1,279)	(141)	735
Assura	4,000	(3,932)	-	68
Covid Fund	-	78,348	(78,348)	-
	<u>72,590</u>	<u>267,361</u>	<u>(313,818)</u>	<u>26,133</u>
TOTAL FUNDS	<u>165,175</u>	<u>21,215</u>	<u>-</u>	<u>186,390</u>

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	198,431	(444,577)	(246,146)
Restricted funds			
Community Kitchen	-	(85)	(85)
Radcliffe Open Door Project	6,002	(9,551)	(3,549)
Powerplant	-	(2,520)	(2,520)
Rothchild Mapping Heritage	-	(5,132)	(5,132)
Artistic Programme	292,054	(86,544)	205,510
Grocers Charity	-	(1,279)	(1,279)
Assura	-	(3,932)	(3,932)
Covid Fund	120,861	(42,513)	78,348
	<u>418,917</u>	<u>(151,556)</u>	<u>267,361</u>
TOTAL FUNDS	<u>617,348</u>	<u>(596,133)</u>	<u>21,215</u>

17. EMPLOYEE BENEFIT OBLIGATIONS

The company operates a defined contribution pension scheme in respect of the staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.

19. UNRESTRICTED FUNDS

Unrestricted general funds are incoming resources received or generated for expenditure on the general objectives of the charity.

20. RESTRICTED FUNDS**Skills Exchange**

A community outreach project working with the Coffee Hall community and residents association to explore the history of the estate and using resources at the Great Linford site to create a series of responses.

Community Kitchen

This is funding to enable MKAC to offer a unique community resource which

- promotes awareness of the links between food and healthy lifestyles
- provides healthy, locally sourced food and drink
- provides a welcoming social and meeting place for our communities

Radcliffe Open Door Project

This is funding for a project to provide a programme of heritage craft activities. It will provide opportunities to those who might not normally engage with the traditional crafts of blacksmithing, green woodworking, lace making and basket making.

The Inside Out Kitchen (January-July 2017)

20. RESTRICTED FUNDS - continued

Supported by the Ernest Cook Trust, Inside Out Kitchen championed traditional heritage craft skills, to build a dedicated eating and socialising space on the grounds of Milton Keynes Arts Centre. Inside Out Kitchen explores new ways of bringing communities together to enjoy food and their local environment.

Power Plant

Annual programme of free, artist lead workshops inspired by the built environment of Milton Keynes.

Hey Clay

Funded by MK Community Foundation, MKAC delivered a two-day event of free ceramic drop in sessions in pot throwing, collaborative hand building and a self-guided all ages clay play station, providing an opportunity for adults, young people, children and their families who would not normally have access a chance to get hands on with clay. The funds raised are to be used for a new kiln.

Milton Keynes Community Education Project

Milton Keynes Arts Centre delivered Arts Award Explore to two Milton Keynes primary schools in partnership with Milton Keynes Cultural Educational Partnership; a collective of organisations and school leaders working across culture, education and youth, brought together by the drive to nourish the creative and cultural wellbeing of the children and young people in Milton Keynes.

Rothschild Mapping Heritage

Funded project by the Rothschild Foundation; a heritage craft focused project introducing students from primary schools; Great Linford Primary, Two Mile Ash and Beaudesert Lower School and three secondary schools; The Walnuts School, Stantonbury Campus and Bridge Academy, to woodwork, metalwork, lacemaking, weaving and basket making across a 12 month programme.

Artistic Programme

Milton Keynes Arts Centre has successfully secured Arts Council England National Portfolio status. This funding agreement, together with Milton Keynes Council funding, has enabled the organisation to further expand its programme of community outreach projects and professional development opportunities for Milton Keynes-based practitioners.

Grocers Charity

Supported by a grant received from the Grocers Charity, a series of workshops with artists Kitty Finer, Lauren Godfrey, Juneau Projects and Maddi Nicholson were organised in collaboration with, and for the benefit of, residents of the YMCA and of Pritchard Court Sheltered Housing in Milton Keynes.

Assura

Online recorded creative learning workshops.

Covid Fund

During the closure of the organisation during the pandemic, Milton Keynes Arts Centre received an Emergency Response grant and two Covid Recovery Fund grants through Arts Council England. These funds were invaluable in ensuring the organisation's survival during a time when its ability to earn income was significantly diminished. The funds also enabled the organisation to adapt its business to accommodate Covid security upon its reopening.

Detailed Statement of Financial Activities
for the Year Ended 31 March 2022

	Unrestricted funds £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	709	1	710	1,864
Other trading activities				
Catering	2,745	12	2,757	-
Investment income				
Rents received	30,200	-	30,200	16,724
Deposit account interest	14	-	14	43
	<u>30,214</u>	<u>-</u>	<u>30,214</u>	<u>16,767</u>
Charitable activities				
Fees from programme activities	68,439	137	68,576	10,403
Milton Keynes council grants	12,000	47,000	59,000	84,143
Other grants	-	6,300	6,300	-
Government grants	845	-	845	15,301
Arts Council grants	-	124,803	124,803	195,663
	<u>81,284</u>	<u>178,240</u>	<u>259,524</u>	<u>305,510</u>
Other income				
Till overs	-	-	-	2
	<u>114,952</u>	<u>178,253</u>	<u>293,205</u>	<u>324,143</u>
EXPENDITURE				
Raising donations and legacies				
Hospitality	213	1,114	1,327	90
Other trading activities				
Purchases	1,446	16	1,462	-
Charitable activities				
Wages	136,956	7,652	144,608	129,573
Social security	7,034	-	7,034	6,299
Pensions	1,685	-	1,685	3,328
Rates and water	(83)	-	(83)	1,535
Insurance	6,543	878	7,421	6,191
Light and heat	15,177	32	15,209	10,793
Telephone	4,164	-	4,164	2,323
Postage and stationery	865	1,543	2,408	1,562
Advertising and publicity	2,523	5,438	7,961	1,024
Sundries	1,195	184	1,379	867
Carried forward	176,059	15,727	191,786	163,495

Detailed Statement of Financial Activities
for the Year Ended 31 March 2022

	Unrestricted funds £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
Charitable activities				
Brought forward	176,059	15,727	191,786	163,495
Course materials and expenses	7,173	18,057	25,230	32,983
Tutor and artist's fees	28,747	21,756	50,503	30,250
Repairs and maintenance	5,346	10,214	15,560	12,300
Computer expenses	3,003	(128)	2,875	3,901
Motor and travel	874	4,716	5,590	167
Staff welfare and training	2,098	293	2,391	855
Consultancy and research	1,179	575	1,754	960
Bad debts	430	-	430	225
Improvements to property	4,971	-	4,971	4,432
Fixtures and fittings	523	-	523	269
Computer equipment	1,319	-	1,319	1,015
Bank charges	2,148	-	2,148	1,099
	<u>233,870</u>	<u>71,210</u>	<u>305,080</u>	<u>251,951</u>
Support costs				
Governance costs				
Auditors' remuneration	2,520	847	3,367	2,520
Accountancy and legal fees	15,216	-	15,216	15,120
	<u>17,736</u>	<u>847</u>	<u>18,583</u>	<u>17,640</u>
Total resources expended	<u>253,265</u>	<u>73,187</u>	<u>326,452</u>	<u>269,681</u>
Net income	<u>(138,313)</u>	<u>105,066</u>	<u>(33,247)</u>	<u>54,462</u>