

Zinc Arts

Trustees Report and Financial Statements For the year ended 31st March 2021

Zinc exists to inspire people through education and the arts, to raise aspirations, and to develop and promote new talent. Zinc passionately believes that everyone should have the opportunity to discover, or re-discover, their potential, regardless of their background or circumstances. The Zinc Centre and its activities will always provide a safe, welcoming place for anyone and everyone to grow, learn, explore and enjoy, while supported by a family of committed staff.

inspiration, inclusivity, integrity

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

COMPANY INFORMATION

Trustees

D Hufton-Rees, Chief Executive
V Kaye
R Strutt (resigned 22 May 2020)

Company registered number
02866315

Charity registered number

1035444

Registered office

Great Stony, Ongar Arts & Education Centre, High Street, Ongar, Essex, CM5 0AD

Chief executive officer

D Hufton-Rees

Bankers

CAF Bank 25 Kings Hill Avenue Kings Hill, West Malling, Kent ME19 4JQ

Solicitors

Holmes & Hills, Trinity Street, Halstead, Essex, C09 1JE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

INTRODUCTION

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) have pleasure in submitting their annual report together with the audited financial statements of Zinc Arts (the company) for the year ended 31 March 2021.

The reference and administrative details set out on page 2 forms part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Directors/ Trustees

The Trustees, who are also Directors of the company, and acted throughout the year except where indicated, are shown on page 1 of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

Zinc (Company number 02866315) was incorporated on 27 October 1993 and is a charitable company limited by the guarantees of the members to a maximum of £10 each. The company is a registered charity (number 1035444). The company gained charitable status on 22 March 1994. It changed its name from Theatre Resource to Zinc Arts with The Charity Commission and Companies House on 22 November 2012.

b. SPECIFIC INSTRUCTIONS

There are no specific instructions relating to the operation of the charity, nor are there any specific investment powers.

c. GOVERNANCE

In 2020-2021 the Charity comprised a membership of 2-3 individuals committed to supporting the aspirations of the organisation. The constitution stipulates that Members are automatically elected to a Board of Directors/Trustees to run the affairs of the organisation. When an individual resigns their position on the Board of Directors/Trustees their membership of the organisation ceases.

The Trustees are responsible for formulating the strategy and policies for Zinc and may meet at such times and regulate its meetings as it sees fit. In 2020-21, because of the pandemic, the Trustees met remotely, to steer the organisation through the tough financial climate and support the CEO and the organisation through a difficult time

d. RECRUITMENT, APPOINTMENT AND ELECTION OF TRUSTEES

The Board identifies and regularly reviews the skills of existing Board Members and any needs of the Board which are not being met by the current membership

Recruitment is through:

- Targeting individuals known to Zinc;
- Advertising for applicants through the media and other sources; and
- Utilising board 'banks', etc. maintained by support bodies.

Recruitment is not limited to within the arts, education or social care field, but reflects the varied needs of the organisation. Whilst specific skills may be sought (for example in relation to regular skills

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

audits undertaken by the Board) enthusiasm and vision may also be considered equally valuable.

The Board has established procedures for recruiting and appointing Board members, including initial identification of potential candidates, informal visits or discussions, formal application and interview, consideration by the full Board and, finally, election by a majority of votes.

e POLICIES AND PROCEDURES FOR THE INDUCTION AND TRAINING OF TRUSTEES

Zinc is committed to full induction and ongoing training of Trustees. A comprehensive induction pack and standing orders are in place and are regularly updated to ensure compliance with company and charity law.

f RISK MANAGEMENT

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

OBJECTIVES AND ACTIVITIES

a. COMPANY OBJECTIVES

The objective of Zinc, as stated in the Memorandum and Articles of Association, is to 'advance education for the public benefit through the promotion of the arts, particularly but not exclusively for disabled and disadvantaged people'.

b. ACHIEVEMENT OF OBJECTIVES

Zinc works to promote the creativity, culture and heritage of disabled people and socially-excluded groups for the benefit of all. In our work, we seek to:

- Generate pathways within the arts;
- Stimulate high-quality, diverse and experimental project work;
- Provide lifelong learning, training and employment opportunities;
- Create platforms for the exploration and representation of the cultures and neglected histories of excluded groups;
- Initiate informed debate and influence policymaking;
- Foster enabling environments; and
- Advance inclusiveness, accessibility and equality in the wider arts environment, and in the communities in which we live.

c. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. Whilst Zinc undertakes work funded by grants and commissions from funding agencies, fees are charged to individual beneficiaries to help cover operating costs. Where fees are charged, in setting the level of fees, charges and concessions, the trustees always consider accessibility of activities for those on low incomes and living on benefits.

The Charity's public benefit during the year is demonstrated by the activities undertaken in 2019-20.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

d. ACTIVITIES UNDERTAKEN IN 2020-21

Zinc's activities during the year were severely curtailed by the Covid-19 pandemic.

Zinc continued as far as possible with its current activities with core participatory groups, including D/deaf people, participants with mental health needs, physical and/or sensory impairments, multiple and profound learning difficulties and/or with experience of other forms of social exclusion.

In previous years Zinc suffered difficult financial outcomes, and as a result in 2020-21 focussed on those activities which would contribute to the delivery of its charitable objectives whilst at the same time generating funds to ensure the ongoing repair of the financial position.

Activities delivered include the following:

Tolpuddle House Programme

2020/21 saw the continued support to the service users of Tolpuddle House, the housing and associated employment and training programme for vulnerable adults living on site in accommodation managed by East Thames Group. Nine adults received supported living and associated education, training and volunteering opportunities.

Tenants gain skills and learn to live independently with aim of being offered a flat of their own. They attend the Aspire Learning programme at Zinc to gain skills they will need to become more independent, such as Employability.

Health Wellbeing and Focus Centre

Working in partnership with Epping Forest District Council we offer accommodation to people who would otherwise be homeless.

These people are housed in our facilities on licence and we offer support, training and use of our services until a permanent accommodation becomes available and they move into their new home.

AQA & The Biz – Aspire Learning

Rebranded In January 2020 as Aspire Learning, the courses delivered are Stepping Stones, Dimensions, Artbox and The Biz.

The courses are designed for adults 16+ as an alternative to college for people who would struggle at a mainstream college

Participants gain an accreditation at the end of the course.

All activities were moved online during the pandemic.

Extra 21

A short-term residential event normally delivered in partnership with Downs Syndrome Group. This event was cancelled during 2020-21 as a result of the pandemic.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Respite Weekend

Groups of 6 participants usually with high dependency needs who come to Zinc to have fun and interact with people of their own age, giving parents and regular carers a break whilst they are on respite.

These events were cancelled during 2020-21 as a result of the pandemic.

e. OTHER ACTIVITIES AT ZINC 'S ARTS CENTRE BASE

Zinc uses its facilities to make possible a wide array of activities which are of direct benefit to the local community:

- Regular hirers of rooms deliver a range of services, including exercise classes of various types, baby, singing and cookery classes, and counselling groups.
- The café (not run by Zinc) is available to local community groups and participants of Zinc.
- During the year, Academy Arts took over the artistic activities previously run by Stage One, including the running of a Theatre School and the delivery of showcases throughout the year and the pantomime at Christmas in Zinc.
- Various workshops, holiday clubs and other social activities are delivered within the building. Many of these were curtailed during the pandemic.

f. SIGNIFICANT CHANGES IN ACTIVITIES

Other than the pausing of activities as a result of the Covid-19 pandemic, there were no significant changes to activities of the charity during the year.

FINANCIAL REVIEW

a. RESULT FOR THE YEAR

Zinc incurs a substantial depreciation charge relating to improvements made to the centre in the years leading up to 2012. This amounted to £175,001 in 2020-21, the same as in the previous year. These are not cash costs and the trustees consider it to be appropriate to exclude them from the review of the result for the year.

Excluding this depreciation charge, the result for the year is a surplus of £109,669. This compares with a comparable underlying deficit of £(10,332) in 2019-20.

During the year Zinc benefited from a number of Covid support grants, and also the ability to furlough staff.

b. COVID 19 and GOING CONCERN

Following the relaxation of Covid-19 in 2021, the centre was gradually re-opened and new contractors were engaged for the operation of the café and the delivery of artistic activities.

As explained in note 1(c) to the accounts, Zinc has the support of its principal loan funders.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

After making appropriate enquires, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

c. RESERVES POLICY

The focus of the directors is currently on generating a pre-depreciation operating surplus, to repair the finances of the charity following the difficult years prior to 2017-2018. Accordingly, the organisation does not have a formal reserves policy in place, as an absolute level of reserves is not currently the main priority. The establishment of a formal policy will be revisited when it is appropriate to do so.

PLANS FOR THE FUTURE

As the centre progressively re-opens following the pandemic, Zinc's priorities are as follows:

- Return to business as usual to the same levels and beyond after COVID 19;
- Help our participants and the community deal with the uncertainty and after-effects of COVID 19;
- Rejuvenate and give our building some maintenance;
- Grow our Aspire learning programme;
- Reduce amount owed to creditors and further secure the financial position.

TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the 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 these financial statements, the Trustees are required to:

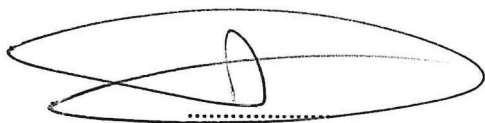
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

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

signed on their behalf by

D K Hufton-Rees
C.E.O.

A handwritten signature in black ink, consisting of a large, stylized loop that encloses a smaller, more complex scribble. The signature is positioned above a horizontal dotted line.

1 December 2021

Zinc Arts

Statement of Financial Activities (including income and expenditure account) For the year ended 31st March 2021

	Note	2021			2020		
		Unrestricted funds	Restricted Funds	Total Funds	Unrestricted funds	Restricted funds	Total Funds
		£		£	£		£
Income:							
Donations, legacies and grants	2	69,803	-	69,803	11,174	-	11,174
Income from charitable activities	3	209,361	-	209,361	327,987	-	327,987
Other incoming resources		108,878		108,878	8,556		8,556
Total income		388,042	-	388,042	347,717	-	347,717
Expenditure on:							
Charitable activities	4	278,373	-	278,373	358,049	-	358,049
Total expenditure		278,373	-	278,373	358,049	-	358,049
Net income (expenditure) before depreciation and revaluations		109,669	-	109,669	(10,332)	-	(10,332)
Depreciation		(175,001)		(175,001)	(175,001)		(175,001)
Gains and losses on revaluations of investment assets		(179)	-	(179)	238	-	238
Net (expenditure) and net movement in funds for the year		(65,511)	-	(65,511)	(185,095)	-	(185,095)
Reconciliation of funds:							
Total funds brought forward		(359,781)	-	(359,781)	(174,686)	-	(174,686)
Total funds carried forward		(425,292)	-	(425,292)	(359,781)	-	(359,781)

All of the above results are derived from continuing activities. There were no other recognised gains or losses during the year.

Zinc Arts
Balance Sheet
For the year ended 31st March 2021

	Note	2021		2020	
		£	£	£	£
Fixed assets:					
Tangible assets	9		2,830,459		3,005,460
			<u>2,830,459</u>		<u>3,005,460</u>
Current assets:					
Debtors	10	19,061		11,743	
Investments	11	1,157		1,336	
Cash at bank and in hand		4,237		8,911	
		<u>24,455</u>		<u>21,990</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	161,737		261,262	
		<u></u>		<u></u>	
Net current liabilities			(137,282)		(239,272)
Total assets less current liabilities			<u>2,693,177</u>		<u>2,766,188</u>
Creditors: amounts falling after more than one year	13		(3,118,469)		(3,125,969)
Total net assets			<u>(425,292)</u>		<u>(359,781)</u>
The funds of the charity:					
Unrestricted funds			(425,292)		(359,781)
Total charity funds			<u>(425,292)</u>		<u>(359,781)</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 1 December and authorised for issue.



DK Hufton-Rees
Trustee
1st December 2021
Zinc Arts
Company Registered No: 02866315

Zinc Arts
Statement of Cash Flows
For the year ended 31st March 2021

	Note	2021		2020	
		£	£	£	£
Cash provided by operating activities	15		15,826		(11,167)
Cash flows from investing activities:					
Purchase of tangible fixed assets		-		(72)	
Net cash used in investing activities			-		(72)
Cash flows from financing activities:					
Loan (repaid) received		(20,500)		27,500	
			(20,500)		27,500
(Decrease) Increase in cash and cash equivalents in the year			(4,674)		16,261
Total cash and cash equivalents at the beginning of the year			1,560		(14,701)
Total cash and cash equivalents at the end of the year	16		(3,114)		1,560

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

1 Accounting Policies

Zinc Arts is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address and principal place of business is Great Stony, High Street, Chipping Ongar, Essex, CM5 0AD.

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

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The functional currency is the British Pound.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The financial statements have been prepared on the going concern basis, although the charity has net current liabilities, excluding loans, of £95,357 (2020: £184,347) and long-term loans of £3,160,394 (2020: £3,180,892).

The going concern basis assumes that the charitable company will continue in operational existence for the foreseeable future and reflects the Trustees' belief that the charity will continue to generate sufficient cash flows to meet its liabilities as they fall due.

The Trustees are pleased to report that during the year-end significant progress has been made in reducing the creditor balances shown in note 12 to these accounts, and forecasts indicate that the charity will be able to continue this process over the twelve months from the date of this report.

The financial viability of the charity remains dependent on maintaining the current level of income, and on the forbearance of the lenders referred to in note 13 to the accounts. Whilst there are no formal agreements to this effect, the Trustees have a reasonable expectation that this forbearance will continue for a period of at least twelve months from the date of signing these accounts.

If for any reason the current level of income or financing was not available, the Charity would need to seek alternative sources of income to ensure its continuation as a going concern.

The financial statements do not include the adjustments which would result if the Charity was unable to continue as a going concern.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Donations, grants and funds received for specific projects and subject to specific wishes of the donors are credited to the relevant restricted fund. When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.

Building income is included in the period to which it relates and includes the renting of accommodation provided, hiring of facilities and other services available within the building to the public and project.

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements.

g) Expenditure and irrecoverable VAT

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

Charitable activity costs are those costs incurred directly in support of expenditure on the objects of the charity.

In the view of the Trustees the charity has only one activity, as outlined in the Trustees' report

h) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity, for example IT. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs, is apportioned on the basis of an estimate of staff time, attributable to each activity.

Governance costs, one of the support costs, are the costs associated with the governance arrangements of the charity. These costs relate to constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities as well as professional fees such as audit fees.

i) Operating leases

Rental charges are charged on a straight line basis

j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

k) Tangible fixed assets

Assets over £500 are capitalised at cost. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Leasehold improvements	27.5 years (Amended from 135 years in year ended 31st March 2019)
Fixtures, Fittings and Equipment	10% straight line

The depreciation charge is shown separately on the SOFA in view of its magnitude and the fact that it is a non cash cost resulting from historical expenditure. This presentation has been adopted to give a fair representation of the charity's current financial performance.

l) Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

m) Debtors

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

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. They are held to meet short term cash commitments as they fall due.

o) Creditors and provisions

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

p) Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement outstanding in each period.

Rentals under operating leases are charged to the Statement of Financial Activities in the period to which they relate.

q) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the year ended 31st March 2019 the Trustees reviewed the depreciation policy relating to the leasehold improvements and concluded that a life of 27.5 years was more appropriate than the 135 years being employed. Appropriate adjustments were made in the 2018-19 accounts and subsequent depreciation charges reflect the revised estimate.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

2 Donations, legacies and grants

	2021			2020		
	Unrestricted funds £	Restricted funds £	Total Funds £	Unrestricted funds £	Restricted funds £	Total Funds £
Donations	-	0	-	11,174	-	11,174
<i>Grants:</i>						
Covid related grants	69,803	-	69,803	-	-	-
	<u>69,803</u>	<u>-</u>	<u>69,803</u>	<u>11,174</u>	<u>-</u>	<u>11,174</u>

3 Income from charitable activities

	2021			2020		
	Unrestricted funds £	Restricted funds £	Total Funds £	Unrestricted funds £	Restricted funds £	Total Funds £
Contracts and Fees	209,361	-	209,361	327,987	-	327,987
	<u>209,361</u>	<u>-</u>	<u>209,361</u>	<u>327,987</u>	<u>-</u>	<u>327,987</u>

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

4. Analysis of expenditure on charitable activities

	2021			2020		
	Unrestricted funds £	Restricted funds £	Total Funds £	Unrestricted funds £	Restricted funds £	Total Funds £
Staffing and subcontractors	163,744	-	163,744	173,737	-	173,737
Other direct costs	4,663	-	4,663	30,720	-	30,720
	168,407	-	168,407	204,457	-	204,457
Support costs (note 5)	109,966	-	109,966	153,592	-	153,592
	278,373	-	278,373	358,049	-	358,049

During the year the Charity had one class of activity, to promote the creativity, culture and heritage of disabled people and socially-excluded groups for the benefit of all.

5. Analysis of support costs

	2021			2020		
	Unrestricted funds £	Restricted funds £	Total Funds £	Unrestricted funds £	Restricted funds £	Total Funds £
Governance (see below for analysis)	6,026	-	6,026	6,097	-	6,097
Other	103,940	-	103,940	147,495	-	147,495
Total	109,966	-	109,966	153,592	-	153,592

Governance costs are made up of:

Independent examination fees	3,000	-	3,000	3,000	-	3,000
Other legal and professional fees	3,026	-	3,026	3,097	-	3,097
	6,026	-	6,026	6,097	-	6,097

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

6	Net income for the period	2021	2020
		£	£
	This is stated after charging:		
	Depreciation - annual charge	175,001	175,001
	Independent Examination fee	3,000	3,000
		<u> </u>	<u> </u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key

	Staff costs were as follows:	£	£
	Wages and salaries	151,499	162,251
	Social security costs	9,642	9,171
	Pension costs	2,603	2,314
		<u>163,744</u>	<u>173,737</u>

The average number of employees during the year was 8 (2020:12)

No employee received remuneration amounting to more than £60,000 in either year.

The cost of senior management personnel was Nil (2020 - £NIL)

The Charity's Trustees were not paid and did not receive any benefits from employment with the Charity in the year (2020 - £0). During the year the Trustees received reimbursement of expenses of £23,150 (2020 - £22,418). No Charity Trustee received payment for professional or other services supplied to the Charity (2020 - £0).

Zinc Arts
Notes to the Financial Statements
For the year ended 31st March 2021

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible Fixed Assets

	Leasehold improve- ments	Fixtures, Fittings and Equipment £	Total £
Cost			
At the start of the year	4,289,237	658,989	4,948,226
Additions during the year	-	-	-
At the end of the year	<u>4,289,237</u>	<u>658,989</u>	<u>4,948,226</u>
Depreciation			
At the start of the year	1,299,075	643,691	1,942,766
Charge for the year	155,895	19,106	175,001
At the end of the year	<u>1,454,970</u>	<u>662,797</u>	<u>2,117,767</u>
Net book value			
At the end of the year	<u>2,834,267</u>	<u>(3,808)</u>	<u>2,830,459</u>
At the beginning of the year	<u>2,990,162</u>	<u>15,298</u>	<u>3,005,460</u>

10 Debtors

	2021 £	2020 £
Trade debtors	7,539	6,187
Other debtors	11,522	5,556
Prepayments and accrued income	-	-
	<u>19,061</u>	<u>11,743</u>

11. Current asset investments

COIF Fixed interest fund	1,157	1,336
	<u>1,157</u>	<u>1,336</u>

During the year there was an unrealised loss of £179 on the fund (2020: gain £238).

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Notes to the Financial Statements
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12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank overdrafts	7,351	7,351
Trade creditors	18,002	79,025
Accruals and deferred income	76,598	59,091
Other taxation and social security	6,548	9,608
Other creditors	11,313	51,262
Bridging Loan S.I.B (see note 13)	2,000	15,000
Other loan (see note 13)	39,925	39,925
	<u>161,737</u>	<u>261,262</u>

13 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Futurebuilders Loan 1	1,715,366	1,715,366
Futurebuilders Loan 2	1,313,005	1,313,005
Bridging Loan S.I.B	57,500	57,500
Other loan	32,598	40,098
	<u>3,118,469</u>	<u>3,125,969</u>

The Future Builders and S.I.B. loans are secured by way of a fixed charge over the charity's long leasehold

The loan agreement provides for the loans to be repaid over a period of 25 years at an interest rate of 6%. However, interest and repayment holidays have been granted until 31st May 2022 and the repayment terms beyond that remain under negotiation.

The amount shown under "other loans" represents a loan from an employee. The loan carries an interest rate of 19.9% and was repayable by instalments between 11th July 2019 and 30 May 2021. At the 31st March 2021, payment of instalments due had commenced on a delayed basis with the agreement of the lender. The lender has indicated flexibility as to the repayment schedule, and has capped the amount of interest chargeable on the loan.

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14 Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	At the end of the year £
Current Year				
General Funds	(361,116)	388,042	(453,374)	(426,448)
Designated fund	1,335	-179	-	1,156
Total - unrestricted funds	<u>(359,781)</u>	<u>387,863</u>	<u>(453,374)</u>	<u>(425,292)</u>
Prior Period				
General Funds	(175,783)	347,717	(533,050)	(361,116)
Designated fund	1,097	238	-	1,335
Total - unrestricted funds	<u>(174,686)</u>	<u>347,955</u>	<u>(533,050)</u>	<u>(359,781)</u>

The designated fund comprises amounts set aside for capital repairs and renewals and is held in the COIF Investment fund see note 11.

15 Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period	(65,332)	(185,333)
Depreciation charges	175,001	175,002
Decrease (Increase) in debtors	(7,318)	14,866
(Decrease) in creditors	(86,525)	(15,702)
Net cash provided by operating activities	<u>15,826</u>	<u>(11,167)</u>

16 Analysis of cash and cash equivalents

	£	£
Cash at bank and in hand	4,237	8,911
Bank overdrafts	(7,351)	(7,351)
Total cash and cash equivalents	<u>(3,114)</u>	<u>1,560</u>

Zinc Arts
Notes to the Financial Statements
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17 Capital commitments

At the balance sheet date, there were no capital commitments (2020: £Nil).

18 Contingent assets or liabilities

At the balance sheet date, there were no contingent assets or liabilities (2020: £Nil).

19 Related party transactions

Trustees received reimbursement of expenditure in respect of the charity's activities during the current year - see note 7.

20 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The company is incorporated in England and Wales registration number 02866315. The liability of each member in the event of winding up is limited to £10.

The registered office of the company is Great Stony, High Street, Chipping Ongar, Essex, CM5 0AD.

Independent examiner's report to the trustees of Zinc Arts ('the Company'). Charity number 1035444.

I report to the charity trustees on my examination of the accounts of the Company for the period ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



2 December 2021

Ian M Parlane A.C.A
9 Boundary Way, Shoeburyness, Essex, SS3 9QF