

**Charity registration number 328476**

**Company registration number 02348556 (England and Wales)**

**Mind The Gap**  
**Annual Report And Financial Statements**  
**For The Year Ended 31 March 2022**

# MIND THE GAP

## LEGAL AND ADMINISTRATIVE INFORMATION

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|--------------------------|--|--------------------------|
| <b>Trustees</b>          | J Whaley<br>L Carter<br>E Gee<br>J Haines<br>L Jones<br>R Mason<br>A Riley<br>R Walker | (Co Chair)<br>(Co Chair) |
| <b>Secretary</b>         | J Skelton  |                          |
| <b>Charity number</b>    | 328476   |                          |
| <b>Company number</b>    | 02348556   |                          |
| <b>Registered office</b> | Mind the Gap Studios<br>Silk Warehouse<br>Patent Street<br>Bradford<br>BD9 4SA         |                          |
| <b>Auditor</b>           | Azets Audit Services Limited<br>33 Park Place<br>Leeds<br>LS1 2RY                      |                          |
| <b>Bankers</b>           | Lloyds Bank Plc<br>45 Hustlergate<br>Bradford<br>BD1 1NT                               |                          |

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# MIND THE GAP

## CONTENTS

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|   | <b>Page</b> |
|---|-------------|
| Trustees' report                        | 1 - 7       |
| Statement of Trustees' responsibilities | 8           |
| Independent auditor's report            | 9 - 12      |
| Statement of financial activities       | 13          |
| Balance sheet                           | 14          |
| Statement of cash flows                 | 15          |
| Notes to the financial statements       | 16 - 28     |

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# MIND THE GAP

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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The Trustees, who are also Directors for the purposes of company law, present their annual report together with the financial statements for the year ended 31 March 2022 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes. 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).

The Legal and Administrative information page forms part of this Trustees' report.

### Overview & Highlights of the Year

The 2021/22 year was another successful but challenging one, with the ongoing impacts of the Covid-19 pandemic causing some disruption to our plans. Despite these challenges, Mind the Gap successfully worked on eight projects, including strategic creative engagement activities, as well as delivering our busy and successful Academy programme. We reached and engaged 6,000 people in live settings, and 60,000 online via film distribution. The Academy involved 93 individuals who participated on one or more of the seven different creative arts course and opportunities.

We continued to deliver a proportion of our work online in the first six months, combining this with live activities in line with the prevailing Government Covid guidelines. By introducing and following appropriate safety protocols Mind the Gap successfully transferred the acclaimed touring production **A Little Space** to film, with thanks to The Space commissioning programme for practical and financial support. We also captured on film the Forum Theatre piece **Anna**, and incorporated this into a digital training package for health and social care staff and students. This marked an important legacy outcome of the **Daughters of Fortune** project, made possible by investment from the Rayne Foundation and Wellcome Trust.

By September 2021 our Academy programme was able to return to full-size groups and live working again, while maintaining some safety protocols in place to minimise the risk of Covid infection transmission. Students, participants and staff were all delighted to return to live working conditions, and reconnect with friends and colleagues. Energies and enthusiasm were high, though it is also recognised that adjusting to a busy and in-person environment presented some challenges. In particular, it is taking time for everyone's stamina and concentration to build back up to pre-pandemic levels, and some people's mental and physical health will yet take time to fully recover.

One year later than originally planned Mind the Gap launched its refreshed and updated Performance Academy course in September 2021. This is the first specialist training opportunity of its kind in the UK to have elements validated at Certificate of Education Level 4, which is equivalent to undergraduate degree level. This is the result of a two-year collaboration with York St John's University to adapt the previous course into this ground-breaking opportunity for aspiring artists with learning disabilities and/or autism.

The year also saw the company's return to national touring with the new outdoor festival production **Leave the Light on for Me**. This was created by guest Director Nickie Miles-Wildin in collaboration with Artistic Director Joyce Nga Yu Lee and the Artists ensemble. The creative team explored the theme of climate change through the lens of learning disability and autism, leading to work in progress events as part of Bradford's Summer Unlocked Festival. Support from the Regional Theatre Young Directors Scheme enabled us to engage early career Hannah Harris, who is autistic, as Assistant Director. Thanks to support from Unlimited and Esmee Fairbairn Foundation's Reinvent Performing Arts, partnered with core funding from Arts Council England National Portfolio investment, we are developing a community cast version of the show for Bradford to be presented in 2022/23. The show will then go on to tour nationally at festivals and events in 2022.

This community cast engagement activity forms part of Mind the Gap's ongoing Leadership and Change strand of work, and specifically our ambition to reach and involve people from different backgrounds and life experiences in our work. We see this as vital for ensuring our work is relevant and meaningful, and reflects the experiences, concerns and passions of people with diverse experiences. Through collaborative working we aim to promote and develop better inclusion and access for people with a learning disability and autism. At the same time, we bring new ideas, influences and creativity to our work, helping Mind the Gap to learn and adapt our processes to be inclusive for all.

# MIND THE GAP

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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In 2021/22 we maintained our collaboration with York St John's University and Totally Inclusive People to deliver online creative sessions using the Creative Doodle Book that was jointly developed with illustrator Brian Hartley. This enabled us to work nationally in spite of Covid restrictions, and offer a creative lifeline for individuals dealing with isolation and limited opportunities.

Our key stakeholders have continued to support and invest in Mind the Gap's work, offering flexibility and adaptability as we all learn to adapt to the changing landscape following the Covid pandemic. Arts Council England provided additional support through the Cultural Recovery Fund, and local authority partners like Bradford and Leeds have continued to be adaptable while we adjust working practices to ensure continued safety of participating individuals. National initiatives like the Furlough Scheme and Restart Grants for small businesses have been vital financial lifelines in the context of continued economic uncertainties.

### Impacts 2021/22

Mind the Gap has continued to gather data so that we can evidence our achievements and impacts. This includes capturing audience figures and profile information, gathering information about participants, and inviting feedback through surveys and social media.

This year we have recorded the following:

#### 1. Performance and Live Arts - including digital broadcast and online dissemination:

*Maria Forryan, writing for Leeds Live, labels **A Little Space: The Film** a "must watch" saying, "The quality of this work is beautiful to watch and the sheer passion and focus of the cast is staggering".*

- **A Little Space: The Film** was launched in July 2021, and has subsequently been screened at festivals in the Netherlands, Czech Republic, Romania, Italy, Australia, Mexico and Venezuela reaching estimated audiences of around 60,000 people.
- **Anna** Forum Theatre workshop: we delivered 9 online workshops engaging 235 staff and students in interactive training events.
- **Leave the Light on For Me**: the pilot tour of work in progress scenes involved 9 performances in Bradford and Leeds engaging an estimated audience of 370 people.

Alongside our core artistic programme, thanks to Cultural Recovery Fund investment, Mind the Gap collaborated with fellow Bradford theatre makers 509 Arts to enable the creation of a new touring show for children and family audiences based on Ivor Cutler's children's story **Meal One**. Zara Mallinson, a member of our core ensemble, was cast in the role of Mum in the show that reached around 2,500 people through 30 performances.

#### 2. Talent Development through MTG Academy:

*"Another first for Mind the Gap as degree level learning-disabled performing arts course launches". North West End*

- Seven different courses form the MTG Academy programme, including the 4-day Performance Academy course, partner courses led by Totally Inclusive People, and a Youth Academy scheme run in partnership with Bradford's Specialist Inclusion Project.
- Our student cohort 2021/22 numbered 93 individuals, who participated with us between one and five days each week, over 35 weeks.
- The programme numbered 963 sessions, and delivered 12,744 attendances.
- Showcase events enabled family and friends to celebrate students' achievements and successes in July 2021.

# MIND THE GAP

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 3. Leadership & Change through collaborative working:

*"I love it. I think [the Creative Doodle Book] is a really nice piece of work and something we will go on using and spark ideas from". Participant, About Face*

- 3000 copies of the **Creative Doodle Book** distributed, and 63 sessions delivered reaching 600 participants.
- Our Erasmus+ funded collaboration with L'Oiseau Mouche (France) and Moomsteatern (Sweden) concluded with the online In Full Flight sharing event in June 2021, which engaged 185 attendees.
- The final phase of our Engage partnership project majority funded by the Paul Hamlyn Foundation culminated in an opportunity to share learning and experiences at the Changing the Scene event in September 2021.
- We made new friends in Bradford through Social Club activities, and 7 schools partnerships, as well as a creative collaboration with local artists leading to a photographic exhibition Opening Doors.

### Leadership & Change through collaborative working:

*"Sometimes being a little bit silly just does the world good. That kind of creativity just has a massive impact on your well-being and mindfulness" Creative Doodle Book participant*

- We have continued to engage with 6 key venue partners through our Staging Change and Engage projects. We created 23 Weekly Wave newsletters between April to September 2020 to share resources, ideas and support for our project partners.
- Creative Doodle Book – we distributed 3,500 booklets throughout the UK, and to Denmark, France, Sweden, Australia and USA. A total of 55 sessions were delivered, involving 121 participants and 442 attendances.
- Online Drama Games were created by our core team of Artists, and shared via social media, to provide a fun, accessible and adaptable tool kit of ideas for anyone working in the creative industries or needing a bit of an energy boost.
- Future Me employment programme provided 15 participants with 20 workshops and achieved 236 attendances to support them towards employment, education and training.

### FUNDRAISING ACTIVITIES

Building on previous years 2021/22 Mind the Gap's fundraising strategy has focused on attracting investment from a number of key stakeholders. These include Arts Council England, Local Authorities like Bradford and Leeds, and private trusts and foundations like Esmee Fairbairn Foundation, Paul Hamlyn Foundation, The Rayne Foundation and Wellcome Trust.

Thanks to the support of these longer-term, committed investors Mind the Gap has been able to survive the immediate financial challenges of the Covid-19 pandemic.

Arts Council England (ACE) provided core investment via the National Portfolio Programme (NPO) of £250,924, and the charity was a recipient of Cultural Recovery Funds in Rounds 1 and 2 meaning an investment of £91,135 in this year. Mind the Gap also manages programme funds and employs staff for The Leap project. Bradford MD Council invested around £100,000 in our work through the Arts Investment Programme and other project grants. Private trust contributors including the Esmee Fairbairn, Rayne and Paul Hamlyn Foundations continued to play their vital role in the charity's sustainability. These grants totalled £75,950, including additional project funds to enable Mind the Gap to negotiate the ongoing challenges of the Covid pandemic. Project funds through The Space, and our partnership with York St John's University, made vital contributions to the delivery of our busy programme.

Mind the Gap is grateful to all its investors – large and small – for their support this year.

# MIND THE GAP

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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It's acknowledged that fundraising in future years is likely to be challenging, given the even greater demand placed on distributors of public and private investment by the ongoing impacts of the Covid pandemic and rapidly rising costs of living. While Mind the Gap feels its successful track record puts it in a strong position to attract continued investment from a range of sources, we know competition for scarce resources will be fierce in the coming year and beyond.

Mind the Gap has been successful in our application to ACE's Investment Programme, and been made a conditional offer of funding for the next 3-years 2023-2026. This will be essential for the charity's continued development as one of England's leading learning disability and autism focused companies. We will also seek investment from other National Lottery funders like Reaching Communities, as well as private trusts and foundations.

Our successful Academy programme generates substantial income through the fees paid by participants through Individual Budgets and Direct Payments. We know that adult social care budgets are already under extreme pressures so we will need to work collaboratively with local authority partners to ensure our work remains relevant, impactful and sustainable.

Earned income generated through fees, services and touring has been significantly reduced as a result of the Covid pandemic. We hope to build this back up to pre-pandemic levels in 2022-23 and beyond, but are mindful that economic pressures will face all our collaborators and partners.

Mind the Gap does not hold material investments.

Mind the Gap occasionally seeks and receives individual donations to support our work, usually through project campaigns, and our ongoing Great Minds individual giving programme. We strive to achieve the highest fundraising standards and value our supportive funders and donors. We stay up to date with charity regulations, data protection and the Fundraising Preference Service (FPS) to make sure we are legally compliant and adhering to all guidelines and best practice.

### **Financial review**

The charity has to manage a complex financial portfolio of grants, commissions, donations and earned income in order to deliver its artistic programme and meet its charitable objectives. The company works to a written business plan spanning three years that is updated annually.

The company's Business Plan is underpinned by 3 financial aims:

1. Income directly benefits MTG artistic programme, goals and audiences.
2. Making strong and sustainable relationships with stakeholders from diverse sources: public, lottery, private, corporate and individual sectors.
3. Reducing reliance on ad-hoc funding by generating sustainable income streams and longer-term investment by stakeholders.

Mind the Gap's main sources of income are: Arts Council England (ACE) National Portfolio Organisation (NPO), Bradford CMDC Arts Investment Fund and earned income through MTG Academy services.

Mind the Gap is also eligible for and has claimed rebate income £6,276 (2021: £83,407) through HMRC's Theatre Tax Relief scheme.

The charity has successfully negotiated this year's many financial challenges, remaining financially sustainable, and sowing seeds for investment towards future activities.

The Statement of Financial Activities shows net movement in funds for the year of £91,422 and total reserves of £617,513 at 31 March 2022.

## MIND THE GAP

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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The trustees have established a written Reserves Policy to ensure the stability of the mission, programmes, employment and ongoing operations of the charity. The target minimum reserves policy is equal to three-months of averaging operating costs. The Reserve Policy value includes all recurring, predictable expenses such as salaries and benefits, core artists, administration and overheads, ongoing professional services.

The Reserves target is £135,000. The trustees refer to this as the Board Designated Operating Reserve.

The free reserves at 31 March 2022 were £456,411 (2021: £426,489) which is currently above this amount.

#### PLANS FOR FUTURE PERIODS

Mind the Gap looks forward to another busy and productive year in 2022/23. Currently, our priorities include:

- To deliver our national touring production **Leave the Light on For Me** to outdoor arts festivals and events over summer and early autumn 2022. This will include a Community Cast version for performances in Bradford and Keighley.
- To ensure our thriving Academy programme continues to evolve and develop, exploring the opportunity for new satellite opportunities in Calderdale and other locations in West Yorkshire.
- To begin our community engagement work towards Bradford's nomination as City of Culture 2025, including building partnerships and relationships across the District so we can deliver a high quality, big impact contribution to the celebrations.
- To strengthen the delivery of our engagement activities, and develop a coherent strategy, through the appointment of an additional part-time management role of Creative Engagement Producer.
- To raise funds to enable us to commission legal expertise to update our Memorandum and Articles of Association so they reflect more up to date terminology about disabled people, and the charity's current and future objectives.

#### Structure, governance and management

The charity is constituted as a company limited by guarantee, and is therefore governed by a Memorandum and Articles of Association. Mind the Gap is registered as a charity in England and Wales.

All the directors of the company are also Trustees of the charity, and there are no other Trustees. The Trustees who served during the year are set out on the Legal and Administrative information page. In accordance with the Articles of Association one third of the Trustees will retire by rotation at the annual general meeting, and where eligible, may offer themselves for re-election.

Eight directors served for all of the year on the Board, bringing a wide range of skills and expertise including knowledge of finance, business development, marketing and social services sectors. Executive Director Julia Skelton is appointed by the Board as chief executive officer to manage Mind the Gap's operation and the smooth-running of the company. The line management structure identifies clear lines of responsibility to other members of staff including the Management Team and learning-disabled company members.

# MIND THE GAP

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### **Trustee induction and training**

New Trustees are recruited through open recruitment, networking and invitation, and are elected at Board meetings in accordance with the charity's Memorandum and Articles of Association. There is a comprehensive induction process and written information for new members. Training is provided where required.

All Trustees give their time voluntarily. Any expenses reclaimed by Trustees from the charity are set out in note 9 to the financial statements.

### **Organisational structure**

The Board meets five times each year to review the work of the company, discuss relevant issues and agree action for the next phase. Staff members and learning-disabled representatives from supported employment and training programmes make reports to the Directors to inform decision-making processes. The Board entrusts senior staff with responsibility to ensure that decisions are implemented, and directors (particularly the Chair) provide support, advice and direction as required between meetings.

In 2021/22 our long-standing Chair Jerry Whaley stepped down from this position. He is succeeded by a Co-Chair arrangement, with Lynne Carter and Emma Gee sharing the responsibilities of this key role on the Board. The charity has taken this opportunity to review its ways of working in order to be accessible and inclusive for people from different backgrounds. Our current priority is to recruit new board members, in particular people with learning disabilities, people of colour and young people as these groups are currently under-represented on our Board.

As part of these developments Mind the Gap has been reviewing and adapting its sub-group structure.

The Money & Partners Action Group replaces the Finance Sub Group. The new group will continue with a similar remit, meeting 2-3 times each year alongside regular Ordinary Meetings. This group will continue to scrutinise the ongoing financial health of the organisation, test financial assumptions and monitor the relationship between income and expenditure. Members provide support and ideas to ensure the charity's fundraising strategy is robust and viable.

The People & Home Action Group replaces the HR Sub-Group. This new group will continue to meet 2-3 times each year providing practical support and advice on key issues relating to people and resource matters. It will review key policies including Health & Safety, Safeguarding and Equal Opportunities, as well as providing support and scrutiny on specific HR issues.

### **Pay policy for senior staff**

The pay of the charity's key personnel is reviewed annually and any increases are normally in accordance with the scales and rates agreed by the National Joint Council (NJC). The remuneration is also bench-marked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

### **Risk management**

The Trustees actively review the financial risks that the charity faces on a frequent basis through the regular ordinary meetings and the sub-groups' meetings, including the ongoing and future funding of the organisation. A written Risk Register document that specifically summarises key risks, which is regularly reviewed by the Executive Director and updated annually by the Finance Sub-Group.

# MIND THE GAP

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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The key risks are largely unchanged since last year and identified as:-

- Future fundraising and investment strategy will need to negotiate a context of even more fierce competition for scarce resources. Mind the Gap will continue to adapt and flex its programme plans to meet changing needs and demands.
- In particular, the Board and senior management recognise that cuts to public funding and changing priorities means that our Academy and creative engagement activities will need to attract and support those who may be at particular risk of being marginalised from mainstream activities. Specifically, Mind the Gap's Bradford MD Council grant investment has been cut by 48% / £27,000 and alternative resources will need to be secured to bridge this gap.
- Positive action has been taken in 2021/22 to nurture new members to join the Board, but it's recognised that good systems and support structures need to be in place to ensure individuals joining the team can access the work of the Board, and use their skills to help develop the charity and its work.

The directors confirm that they have developed systems to monitor and control these risks, and one of the functions of the sub-groups is to provide scrutiny and support around any issues that might arise.

### Funds Held as Custodian Trustee

In 2021-22 Mind the Gap acted as Custodian Trustee for funding awards to support artistic activities for learning disabled artists. This included income from Arts Council England (ACE), and Bradford Producing Hub (c/o University of Bradford). The artists for whom the charity acted as Custodian Trustee in the year were: Daniel Foulds (DYCP), JoAnne Haines (Make Work – Your Idea Your Way) and Paul Bates (DYCP – Judgement). The total value of the income on these awards in the year was £41,961 (2021: £47,808) and the total amount held for these awards at the year end was £36,990 (2021: £44,175). The safe custody and segregation of this income and the relevant expenditure was achieved by creating a separate 'class' (project) in the computerised book-keeping system so that all income and expenditure can be clearly accounted for and audited.

### Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

### Auditors

Azets Audit Services Limited were appointed auditor to the company following their acquisition of the trade of Garbutt & Elliott Audit Limited on 1 December 2021 and in accordance with s487(2) of the Companies Act 2006 they are deemed reappointed annually.

### Small company rules

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. It was approved by the Board of Trustees and signed on its behalf by:

*L A Carter*

.....  
**L Carter**

Co-Chair of Trustees

Dated: ..25/11/2022....

# **MIND THE GAP**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees, who are also the directors of Mind the Gap for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# MIND THE GAP

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MIND THE GAP

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### Opinion

We have audited the financial statements of Mind the Gap (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

# MIND THE GAP

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MIND THE GAP

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

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# MIND THE GAP

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MIND THE GAP

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### **Extent to which the audit was considered capable of identifying irregularities, including fraud**

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management, and from inspection of the charitable company's regulatory and legal correspondence. We discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation), pensions legislation, taxation legislation, and further laws and regulations that could indirectly affect the financial statements, including environmental, safeguarding, health and safety and employment legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the charitable company to commit fraud. Our risk assessment procedures included: enquiry of trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud, reading Board minutes and considering performance targets and any incentive schemes that may be in place for management. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:

- income recognition and in particular the risk that income is recognised in the wrong reporting period; and
- subjective accounting estimates.

Fraud risks arise due to a potential desire to present results in a differing light to meet management objectives.

As required by auditing standards we also identified and addressed the risk of management override of controls. We performed the following procedures to address the risks of fraud identified:

- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias;
- testing the recognition of income and in particular that it was appropriately recognised or deferred.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

# MIND THE GAP

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MIND THE GAP

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### 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.

*Azets Audit Services Limited*

**Jessica Lawrence (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services Limited**

29/11/2022

.....

**Chartered Accountants**  
**Statutory Auditor**

33 Park Place  
Leeds  
LS1 2RY

# MIND THE GAP

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

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|   |       | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ | Total<br>Restated<br>2021<br>£ |
|---|-------|------------------------------------|----------------------------------|--------------------|--------------------------------|
|   | Notes |                                    |                                  |                    |                                |
| <b><u>Income and endowments from:</u></b> |       |                                    |                                  |                    |                                |
| Donations                                 | 3     | 62,797                             | -                                | 62,797             | 159,483                        |
| Charitable activities                     | 4     | 765,967                            | 487,919                          | 1,253,886          | 1,134,748                      |
| Investments                               | 5     | 61                                 | -                                | 61                 | 85                             |
| Other income                              | 6     | 41,502                             | 266                              | 41,768             | 83,488                         |
|   |       | <hr/>                              | <hr/>                            | <hr/>              | <hr/>                          |
| <b>Total income</b>                       |       | 870,327                            | 488,185                          | 1,358,512          | 1,377,804                      |
| <b><u>Expenditure on:</u></b>             |       |                                    |                                  |                    |                                |
| Charitable activities                     | 7     | 823,344                            | 443,746                          | 1,267,090          | 965,811                        |
|   |       | <hr/>                              | <hr/>                            | <hr/>              | <hr/>                          |
| <b>Net incoming for the year</b>          |       | 46,983                             | 44,439                           | 91,422             | 411,993                        |
| Gross transfers between funds             |       | (10,395)                           | 10,395                           | -                  | -                              |
|   |       | <hr/>                              | <hr/>                            | <hr/>              | <hr/>                          |
| <b>Net movement in funds</b>              |       | 36,588                             | 54,834                           | 91,422             | 411,993                        |
| Fund balances at 1 April 2021             |       | 443,651                            | 82,440                           | 526,091            | 114,098                        |
|   |       | <hr/>                              | <hr/>                            | <hr/>              | <hr/>                          |
| <b>Fund balances at 31 March 2022</b>     | 16    | 480,239                            | 137,274                          | 617,513            | 526,091                        |
|   |       | <hr/> <hr/>                        | <hr/> <hr/>                      | <hr/> <hr/>        | <hr/> <hr/>                    |

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies Act 2006.

The statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 16 - 28 form part of these financial statements.

A fully detailed Statement of Financial Activities for the year ending 31 March 2021 is shown at note 21.

All income and expenditure derive from continuing activities.

# MIND THE GAP

## BALANCE SHEET

AS AT 31 MARCH 2022

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|   | Notes | 2022<br>£        | £              | 2021<br>£        | £              |
|---|-------|------------------|----------------|------------------|----------------|
| <b>Fixed assets</b>                                   |       |                  |                |                  |                |
| Tangible assets                                       | 11    |                  | 25,954         |                  | 23,839         |
| <b>Current assets</b>                                 |       |                  |                |                  |                |
| Debtors   | 12    | 86,770           |                | 191,609          |                |
| Cash at bank and in hand                              |       | 659,815          |                | 608,959          |                |
|   |       | <u>746,585</u>   |                | <u>800,568</u>   |                |
| <b>Creditors: amounts falling due within one year</b> | 13    | <u>(155,026)</u> |                | <u>(298,316)</u> |                |
| Net current assets                                    |       |                  | 591,559        |                  | 502,252        |
| <b>Total assets less current liabilities</b>          |       |                  | <u>617,513</u> |                  | <u>526,091</u> |
| <b>Funds of the charity</b>                           |       |                  |                |                  |                |
| Restricted funds                                      | 15    |                  | 137,274        |                  | 82,440         |
| Unrestricted funds                                    |       |                  | 480,239        |                  | 443,651        |
|   |       |                  | <u>617,513</u> |                  | <u>526,091</u> |

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

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for the circulation to members of the company. They were approved by the board of Trustees on 25/11/2022..... and signed on its behalf by:

*L A Carter*

.....

L Carter  
Co-Chair

Company Registration No. 02348556

# MIND THE GAP

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

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|  | Notes | 2022<br>£         | £                 | 2021<br>£         | £                 |
|--|-------|-------------------|-------------------|-------------------|-------------------|
| <b>Cash flows from operating activities</b>      |       |                   |                   |                   |                   |
| Cash generated from operations                   | 19    |                   | 64,052            |                   | 456,902           |
| <b>Investing activities</b>                      |       |                   |                   |                   |                   |
| Purchase of tangible fixed assets                |       | (13,257)          |                   | (14,603)          |                   |
| Investment income received                       |       | 61                |                   | 85                |                   |
|  |       | <u>          </u> |                   | <u>          </u> |                   |
| <b>Net cash used in investing activities</b>     |       |                   | (13,196)          |                   | (14,518)          |
| <b>Net increase in cash and cash equivalents</b> |       |                   | 50,856            |                   | 442,384           |
| Cash and cash equivalents at beginning of year   |       |                   | 608,959           |                   | 166,575           |
|  |       |                   | <u>          </u> |                   | <u>          </u> |
| <b>Cash and cash equivalents at end of year</b>  |       |                   | <u>659,815</u>    |                   | <u>608,959</u>    |

# MIND THE GAP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

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

#### Charity information

Mind the Gap is a private company limited by guarantee incorporated in England and Wales. The registered office is Mind the Gap Studios, Silk Warehouse, Patent Street, Bradford, BD9 4SA.

Each member of the company has undertaken 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.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Government and other grants (furlough income) are recognised in full in the statement of financial activities in the period in which they are receivable.

# MIND THE GAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make 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 expenditure:* comprises those costs incurred by the charity in the deliverance of its activities and services for its beneficiaries. It includes both costs that can be directly allocated to such activities and those costs of an indirect nature necessary to support them.

*Support Costs:* are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trust's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 8.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in notes 7 and 8.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                       |   |
|-----------------------|---|
| Fixtures and fittings | 25% Reducing balance or 25% straight line |
| Computers             | 33% Reducing balance or 33% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Individual fixed assets costing £500 or more are capitalised.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# MIND THE GAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

#### Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

# MIND THE GAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

#### 1.10 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The charity benefits significantly from Theatre Tax Credit taxation reliefs based on the eligible production costs incurred. The calculation of the tax credit involves significant uncertainties and it is not possible to apply a reasonable point estimate based on historic agreements with tax authorities. Therefore the Trustees do not recognise any potential tax rebate on an accruals basis and instead recognise the rebate on a cash received basis.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

#### 1.14 Custodian Funds

Funds held by the charity as a custodian trustee are excluded from the income and expenditure of the charity and the balance held recognised as a liability within the financial statements.

### 2 Critical accounting estimates and judgements

In the application of the charity'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.

The Trustees are of the opinion that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

# MIND THE GAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 3 Donations and legacies

|   | Unrestricted<br>funds | Restricted<br>funds | Total         | Unrestricted<br>funds | Restricted<br>funds | Total          |
|---|-----------------------|---------------------|---------------|-----------------------|---------------------|----------------|
|   | 2022<br>£             | 2022<br>£           | 2022<br>£     | 2021<br>£             | 2021<br>£           | 2021<br>£      |
| <b>Donations and gifts</b>                  |                       |                     |               |                       |                     |                |
| Donations                                   | 6,282                 | -                   | 6,282         | 1,482                 | -                   | 1,482          |
| Coronavirus Job<br>Retention Scheme         | 40,250                | -                   | 40,250        | 116,429               | -                   | 116,429        |
| City of Bradford MDC -<br>COVID -19 Funding | 16,265                | -                   | 16,265        | 41,572                | -                   | 41,572         |
|   | <u>62,797</u>         | <u>-</u>            | <u>62,797</u> | <u>159,483</u>        | <u>-</u>            | <u>159,483</u> |

The Charity benefits greatly from the involvement and enthusiastic support of a number of volunteers, details of which are given in our annual report. In accordance with FRS102 the economic contribution of volunteers is not recognised in the accounts.

All donations are unrestricted in both the current and prior year.

# MIND THE GAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

| 4 Charitable activities                           | Unrestricted Funds |   | Restricted Funds |   | Total Funds      |   | Unrestricted Funds |   | Restricted Funds |   | Total Funds      |   |
|---|--------------------|---|------------------|---|------------------|---|--------------------|---|------------------|---|------------------|---|
|   | 2022               | £ | 2022             | £ | 2022             | £ | 2021               | £ | 2021             | £ | 2021             | £ |
| Fee Income  | 444,362            |   | 43,277           |   | 487,639          |   | 338,747            |   | -                |   | 338,747          |   |
| Revenue grants                                    | 321,605            |   | 444,642          |   | 766,247          |   | 412,946            |   | 383,055          |   | 796,001          |   |
|   | <u>765,967</u>     |   | <u>487,919</u>   |   | <u>1,253,886</u> |   | <u>751,693</u>     |   | <u>383,055</u>   |   | <u>1,134,748</u> |   |
| <b>Revenue Grants</b>                             |                    |   |                  |   |                  |   |                    |   |                  |   |                  |   |
| Arts Council England - National Portfolio Funding | 250,924            |   | -                |   | 250,924          |   | 250,924            |   | -                |   | 250,924          |   |
| City of Bradford MDC Academy Fund                 | -                  |   | 57,000           |   | 57,000           |   | -                  |   | 57,000           |   | 57,000           |   |
| City of Bradford MDC - Short breaks               | 20,997             |   | -                |   | 20,997           |   | 14,994             |   | -                |   | 14,994           |   |
| Erasmus +   | 17,287             |   | -                |   | 17,287           |   | 23,316             |   | -                |   | 23,316           |   |
| Esmee Fairbairn Foundation                        | -                  |   | -                |   | -                |   | 14,995             |   | 14,995           |   | 29,990           |   |
| Paul Hamlyn Foundation                            | -                  |   | 46,400           |   | 46,400           |   | -                  |   | 41,167           |   | 41,167           |   |
| DCMS Cultural Recovery Fund                       | -                  |   | 91,135           |   | 91,135           |   | -                  |   | 92,780           |   | 92,780           |   |
| Other grants                                      | 21,597             |   | 13,674           |   | 35,271           |   | 31,217             |   | 8,604            |   | 39,821           |   |
| Arts Council England - Emergency Funding          | -                  |   | -                |   | -                |   | 54,000             |   | -                |   | 54,000           |   |
| Daughters of Fortune: Zara/Paige                  | -                  |   | 19,388           |   | 19,388           |   | -                  |   | 58,667           |   | 58,667           |   |
| ESF Groundwork                                    | -                  |   | -                |   | -                |   | -                  |   | 15,915           |   | 15,915           |   |
| ACE Creative People and Places - The Leap Project | -                  |   | 146,000          |   | 146,000          |   | -                  |   | 93,927           |   | 93,927           |   |
| Creative Doodle Book                              | 10,800             |   | -                |   | 10,800           |   | 23,500             |   | -                |   | 23,500           |   |
| Leave the Light On For Me                         | -                  |   | 71,045           |   | 71,045           |   | -                  |   | -                |   | -                |   |
|   | <u>321,605</u>     |   | <u>444,642</u>   |   | <u>766,247</u>   |   | <u>412,946</u>     |   | <u>383,055</u>   |   | <u>796,001</u>   |   |

# MIND THE GAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 5 Investments

|                     | 2022<br>£ | 2021<br>£ |
|---------------------|-----------|-----------|
| Interest receivable | 61        | 85        |

### 6 Other income

|              | Unrestricted<br>funds | Restricted<br>funds | Total Unrestricted<br>funds |           | Restricted<br>funds | Total     |
|--------------|-----------------------|---------------------|-----------------------------|-----------|---------------------|-----------|
|              | 2022<br>£             | 2022<br>£           | 2022<br>£                   | 2021<br>£ | 2021<br>£           | 2021<br>£ |
| Other income | 41,502                | 266                 | 41,768                      | 83,488    | -                   | 83,488    |

Other income includes £6,276 (2021: £83,407) relating to Theatre Tax Relief claims.

### 7 Charitable activities

|   | 2022<br>£        | 2021<br>£      |
|---|------------------|----------------|
| Staff costs                                       | 598,827          | 521,192        |
| Depreciation                                      | 11,142           | 13,257         |
| Direct production costs                           | 88,063           | 42,298         |
| Premises costs and insurance                      | 59,674           | 46,180         |
| General administration                            | 37,854           | 26,619         |
| Travel, accommodation and subsistence             | 33,951           | 1,748          |
| Marketing   | 19,694           | 23,271         |
| Artists and freelance costs                       | 203,856          | 136,557        |
| LEAP Award payments                               | 82,123           | 54,654         |
| Venue hire  | 20,339           | -              |
|   | 1,155,523        | 865,776        |
| Share of support costs (see note 8)               | 105,867          | 94,735         |
| Share of governance costs (see note 8)            | 5,700            | 5,300          |
| <b>Total expenditure on charitable activities</b> | <b>1,267,090</b> | <b>965,811</b> |

# MIND THE GAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 8 Support costs

|                              | Support costs  | Governance costs | 2022           | Support costs | Governance costs | 2021           |
|------------------------------|----------------|------------------|----------------|---------------|------------------|----------------|
|                              | £              | £                | £              | £             | £                | £              |
| Staff costs                  | 69,979         | -                | 69,979         | 67,980        | -                | 67,980         |
| Premises costs and insurance | 19,892         | -                | 19,892         | 15,393        | -                | 15,393         |
| General administration       | 12,618         | -                | 12,618         | 8,873         | -                | 8,873          |
| Professional fees            | 2,975          | -                | 2,975          | 2,209         | -                | 2,209          |
| Bank charges                 | 403            | -                | 403            | 280           | -                | 280            |
| Audit fees                   | -              | 4,000            | 4,000          | -             | 3,700            | 3,700          |
| Accountancy                  | -              | 1,700            | 1,700          | -             | 1,600            | 1,600          |
|                              | <u>105,867</u> | <u>5,700</u>     | <u>111,567</u> | <u>94,735</u> | <u>5,300</u>     | <u>100,035</u> |

### 9 Trustees

No trustees claimed expenses in either the current or previous financial year.

### 10 Employees

The average monthly number of employees during the year was:

|                         | 2022           | 2021           |
|-------------------------|----------------|----------------|
|                         | Number         | Number         |
|                         | 38             | 39             |
|                         | <u>38</u>      | <u>39</u>      |
| <b>Employment costs</b> | <b>2022</b>    | <b>2021</b>    |
|                         | <b>£</b>       | <b>£</b>       |
| Wages and salaries      | 598,794        | 546,307        |
| Social security costs   | 57,995         | 29,634         |
| Other pension costs     | 12,017         | 13,231         |
|                         | <u>668,806</u> | <u>589,172</u> |

No employee earned £60,000 or more during the year (2021: no employee).

The key management personnel of Mind the Gap are the Executive Director, Artistic Director, Academy Director, Senior Producer and Finance Manager. The total employee benefits of the key management personnel of the charity were £178,694 (2021: £182,158).

# MIND THE GAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 11 Tangible fixed assets

|                                  | Fixtures and fittings<br>£ | Computers<br>£ | Total<br>£     |
|----------------------------------|----------------------------|----------------|----------------|
| <b>Cost</b>                      |                            |                |                |
| At 1 April 2021                  | 318,169                    | 228,212        | 546,381        |
| Additions                        | 13,257                     | -              | 13,257         |
| At 31 March 2022                 | <u>331,426</u>             | <u>228,212</u> | <u>559,638</u> |
| <b>Depreciation</b>              |                            |                |                |
| At 1 April 2021                  | 305,294                    | 217,248        | 522,542        |
| Depreciation charged in the year | 6,723                      | 4,419          | 11,142         |
| At 31 March 2022                 | <u>312,017</u>             | <u>221,667</u> | <u>533,684</u> |
| <b>Net book value</b>            |                            |                |                |
| At 31 March 2022                 | <u>19,409</u>              | <u>6,545</u>   | <u>25,954</u>  |
| At 31 March 2021                 | <u>12,875</u>              | <u>10,964</u>  | <u>23,839</u>  |

### 12 Debtors

|   | 2022<br>£     | 2021<br>£      |
|---|---------------|----------------|
| <b>Amounts falling due within one year:</b> |               |                |
| Trade debtors                               | 25,525        | 62,258         |
| Other debtors                               | 658           | -              |
| Prepayments and accrued income              | 60,587        | 129,351        |
|   | <u>86,770</u> | <u>191,609</u> |

### 13 Creditors: amounts falling due within one year

|                                    | Notes | 2022<br>£      | 2021<br>£      |
|------------------------------------|-------|----------------|----------------|
| Other taxation and social security |       | 13,544         | 10,291         |
| Deferred income                    | 14    | 23,649         | 109,764        |
| Trade creditors                    |       | 45,523         | 35,205         |
| Custodian Funds                    |       | 36,990         | 44,175         |
| Accruals                           |       | 35,320         | 98,881         |
|                                    |       | <u>155,026</u> | <u>298,316</u> |

In 2021-22 Mind the Gap acted as Custodian Trustee for funding awards to support artistic activities for learning disabled artists. This included income from Arts Council England (ACE), and Bradford Producing Hub (c/o University of Bradford). The artists for whom the charity acted as Custodian Trustee in the year were: Daniel Foulds (DYCP), JoAnne Haines (Make Work – Your Idea Your Way) and Paul Bates (DYCP – Judgement). The total value of the income on these awards in the year was £41,961 (2021: £47,808) and the total amount held for these awards at the year end was £36,990 (2021: £44,175).

# MIND THE GAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 14 Deferred Income

|                      | 2022<br>£     | 2020<br>£      |
|----------------------|---------------|----------------|
| Brought forward      | 109,764       | 179,743        |
| Released in the year | (109,764)     | (179,743)      |
| Deferred in the year | 23,649        | 109,764        |
|                      | <u>23,649</u> | <u>109,764</u> |
| Carried forward      | <u>23,649</u> | <u>109,764</u> |

### 15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| Current year                      | Movement in funds               |                |                  |                | Balance at 31<br>March 2022<br>£ |
|-----------------------------------|---------------------------------|----------------|------------------|----------------|----------------------------------|
|                                   | Balance at 1<br>April 2021<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>£ |                                  |
| Academy Fund                      | -                               | 57,000         | (57,000)         | -              | -                                |
| Capital assets                    | 6,677                           | -              | (4,551)          | -              | 2,126                            |
| Cultural Recovery Fund            | 28,762                          | 91,135         | 119,897          | -              | -                                |
| Daughters of Fortune Anna         | -                               | 13,646         | (13,646)         | -              | -                                |
| Daughters of Fortune Zara / Paige | 12                              | 19,388         | (19,400)         | -              | -                                |
| Future Me                         | (3,675)                         | 3,874          | 199              | -              | -                                |
| The LEAP                          | 39,273                          | 182,972        | 120,362          | -              | 101,883                          |
| Engage                            | 10,631                          | 46,400         | (57,031)         | -              | -                                |
| Staging Change                    | 760                             | -              | (11,155)         | 10,395         | -                                |
| Leave The Light On For Me         | -                               | 73,770         | (40,505)         | -              | 33,265                           |
|                                   | <u>82,440</u>                   | <u>488,185</u> | <u>(443,746)</u> | <u>10,395</u>  | <u>137,274</u>                   |

# MIND THE GAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 15 Restricted funds

(Continued)

#### Purposes of restricted funds:

##### Academy Fund

The fund was first set up in 2002/03 to run the annual vocational training programme for adults with a learning disability. In the current year it includes funding from the following sources: City of Bradford Metropolitan District Council.

##### Capital Assets

Mind the Gap has previously received funds to purchase capital items to further the work of the charity from investors including Arts Council England, ERDF, ESF, the Clothworkers Foundation and the Garfield Weston Trust. This fund represents the value of undepreciated assets.

##### Cultural Recovery Fund

This fund was set up in 2020/21 to undertake activities connected with ensuring the continuity of Mind the Gap's programme in the context of the Covid-19 pandemic, including additional safety measures to help reduce the risk of the spread of the virus. In the current year it includes funding from the following sources: DCMS Cultural Recovery Fund, managed and distributed by Arts Council England.

##### Daughters of Fortune: ANNA

This fund was set up in 2018/19 to deliver the forum theatre production ANNA, including training package for health and social care staff. In this year it includes funding from the following sources: The Rayne Foundation.

##### Daughters of Fortune: ZARA/PAIGE

This fund was set up in 2018/19 to deliver the large-scale outdoor events ZARA, and the research and publication of findings through PAIGE. In this year it includes funding from the following sources: Wellcome Trust Public Engagement Fund, match funding from Unrestricted sources and Theatre Tax Relief rebate income.

##### Future Me

This fund was set up in 2020/21 to run the project of this name designed to promote employability and skills for work for adults with a learning disability and/or autism. In this year it includes income from the following sources: ESF Groundwork.

##### The Leap

This fund was set up in 2020/21 to record income and expenditure connected with this Consortium project, led by Bradford Teaching Hospitals NHS Foundation Trust (the NHS Trust). The Leap project's overall budget is managed by the NHS Trust, who receive all income on behalf of the project, including grant funds from the majority stakeholder Arts Council England Creative People & Places programme. MTG is a Consortium member, and the charity's responsibilities include the employment of The Leap project staff, and the dissemination of funds to other organisations, as determined by agreed application processes and procedures. The funds managed by MTG on behalf of the project as shown in these accounts have been received from the NHS Trust.

##### Engage

This fund was set up in 2017/18 to run a programme of activities to increase arts engagement by learning-disabled people, working with theatre venues across England. In this year it includes income from the following sources: Paul Hamlyn Foundation and earned income.

##### Staging Change

This fund was set up in 2017/18 to advance the leadership skills of learning-disabled artists, working with theatre venues across England. In this year it includes income from the following sources: Esmée Fairbairn Foundation.

##### Leave the Light on For Me

This fund is set up in the year for the new outdoor festival production. . In this year it includes funding from the following sources: Unlimited and Esmee Fairbairn Foundation's Reinvent Performing Arts and Arts Council England National Portfolio.

# MIND THE GAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 15 Restricted funds

(Continued)

| Prior year                        | Balance at 1<br>April 2020<br>£ | Movement in funds |                  |                | Balance at 31<br>March 2021<br>£ |
|-----------------------------------|---------------------------------|-------------------|------------------|----------------|----------------------------------|
|                                   |                                 | Income<br>£       | Expenditure<br>£ | Transfers<br>£ |                                  |
| Academy Fund                      | -                               | 57,000            | (57,000)         | -              | -                                |
| Capital assets                    | 12,969                          | -                 | (6,292)          | -              | 6,677                            |
| Cultural Recovery Fund            | -                               | 92,780            | (64,018)         | -              | 28,762                           |
| Daughters of Fortune Anna         | -                               | 8,604             | (19,154)         | 10,550         | -                                |
| Daughters of Fortune Zara / Paige | (75,158)                        | 58,667            | (32,593)         | 49,096         | 12                               |
| Future Me                         | -                               | 15,915            | (19,590)         | -              | (3,675)                          |
| The Leap                          | -                               | 93,927            | (54,654)         | -              | 39,273                           |
| Engage                            | 11,951                          | 41,167            | (56,117)         | 13,630         | 10,631                           |
| Staging Change                    | 155                             | 14,995            | (19,440)         | 5,050          | 760                              |
|                                   | <u>(50,083)</u>                 | <u>383,055</u>    | <u>(328,858)</u> | <u>78,326</u>  | <u>82,440</u>                    |

### 16 Analysis of net assets between funds

|  | Unrestricted<br>Funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ | Unrestricted<br>Funds<br>2021<br>£ | Restricted<br>funds<br>2021<br>£ | Total<br>2021<br>£ |
|--|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Fund balances at 31<br>March 2022 are<br>represented by: |                                    |                                  |                    |                                    |                                  |                    |
| Tangible assets  | 23,828                             | 2,126                            | 25,954             | 17,162                             | 6,677                            | 23,839             |
| Current assets/(liabilities)                             | 456,411                            | 135,148                          | 591,559            | 426,489                            | 75,763                           | 502,252            |
|  | <u>480,239</u>                     | <u>137,274</u>                   | <u>617,513</u>     | <u>443,651</u>                     | <u>82,440</u>                    | <u>526,091</u>     |

### 17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

|                            | 2022<br>£      | 2021<br>£      |
|----------------------------|----------------|----------------|
| Within one year            | 13,500         | 14,379         |
| Between two and five years | 54,000         | 54,000         |
| In over five years         | 75,375         | 88,875         |
|                            | <u>142,875</u> | <u>157,254</u> |

### 18 Related party transactions

During the year E Gee, a Trustee, received £nil (2021: £nil) for their work as a freelance artist. There are no other disclosable related party transactions in the current or prior year.

# MIND THE GAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

|  |               |                |
|--|---------------|----------------|
| <b>19 Cash generated from operations</b> | <b>2022</b>   | <b>2021</b>    |
|  | <b>£</b>      | <b>£</b>       |
| Surplus for the year                     | 91,422        | 411,993        |
| <b>Adjustments for:</b>                  |               |                |
| Investment income                        | (61)          | (85)           |
| Depreciation of tangible fixed assets    | 11,142        | 13,257         |
| <b>Movements in working capital:</b>     |               |                |
| Decrease in debtors                      | 104,839       | 13,224         |
| (Decrease)/increase in creditors         | (143,290)     | 18,513         |
| <b>Cash generated from operations</b>    | <b>64,052</b> | <b>456,902</b> |

The charity had no debt during the current or prior year.

### 20 Prior year adjustment

The comparative figures have been restated to reclassify income from Coronavirus Job Retention Scheme and City Of Bradford MDC Covid support grant from charitable activities to non-performance related grants.

### 21 Comparative Statement of Financial Activities

|                                       | <b>Unrestricted<br/>funds<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>Total<br/>2021<br/>£</b> |
|---------------------------------------|-------------------------------------|-----------------------------------|-----------------------------|
| <b><u>Income from:</u></b>            |                                     |                                   |                             |
| Donations and gifts                   | 159,483                             | -                                 | 159,483                     |
| Charitable activities                 | 751,693                             | 383,055                           | 1,134,748                   |
| Investments                           | 85                                  | -                                 | 85                          |
| Other income                          | 83,488                              | -                                 | 83,488                      |
| <b>Total income</b>                   | <b>994,749</b>                      | <b>383,055</b>                    | <b>1,377,804</b>            |
| <b><u>Expenditure on:</u></b>         |                                     |                                   |                             |
| Charitable activities                 | 636,953                             | 328,858                           | 965,811                     |
| <b>Net income before transfers</b>    | <b>357,796</b>                      | <b>54,197</b>                     | <b>411,993</b>              |
| Gross transfers between funds         | (78,326)                            | 78,326                            | -                           |
| <b>Net movement in funds</b>          | <b>279,470</b>                      | <b>132,523</b>                    | <b>411,993</b>              |
| Fund balances at 1 April 2020         | 164,181                             | (50,083)                          | 114,098                     |
| <b>Fund balances at 31 March 2021</b> | <b>443,651</b>                      | <b>82,440</b>                     | <b>526,091</b>              |