

## Structure, governance and management

### Governing document

Northern Shape t/a Equal Arts is a company limited by guarantee and a registered charity currently with a Board of 8 Trustees. Under the memorandum and articles of association with which the organisation is governed, the charity has the power to make any investment that the trustees see fit.

### Appointment of trustees

New trustees are appointed by serving trustees. The trustees meet at least five times each year and the CEO with the Treasurer handle the day-to-day finances of the charity. The trustees who served during the year are set out on page 17. A third of the longest standing committee members need to stand down at the Annual General Meeting but can be re-elected by the existing trustees. All Company Members and Management Committee Members are circulated with papers prior to the AGM advising them of the retiring trustees. Trustees are encouraged to attend appropriate external training courses whenever they are arranged.

### Induction and training of trustees

The trustees are encouraged to attend external training and are notified of relevant training by the charity.

### Organisational structure

The organisation has a board of trustees comprising 8 members. A Chief Executive manages the day-to-day operations of the charity and line manages staff – the Creative Age Programme Manager and freelance staff.

### Pay policy for senior staff

The pay of senior staff is reviewed by the board annually.

### Relationships with related parties

None of the trustees receive remuneration or other benefit from their work with the charity.

This report has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on ..... November 23... 2021 and signed on its behalf by:



.....  
Mrs Anne Walton (Chair)

**Independent Examiner's Report to the Trustees of Northern Shape  
For the Year Ended 31 March 2021**

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I report on the accounts of the company for the year ended 31 March 2021 which are set out on pages 21 to 33.

**Responsibilities and basis of report**

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

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

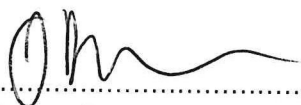
**Independent examiner's statement**

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



.....  
**Donna Bulmer BA (Hons) ACA**  
For and on behalf of Haines Watts

13 December 2021

.....  
**Date**

17 Queens Lane  
Newcastle upon Tyne  
NE1 1RN

Northern Shape T/A Equal Arts

Statement of Financial Activities (Including Income and Expenditure Account)  
For the year ended 31 March 2021

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b>Income from:</b>						
Donations and legacies	4	153,356	54,873	82,086	290,315	344,534
Charitable activities	5	46,915	2,904	2,000	51,819	77,017
Investment income	6	1,111	-	-	1,111	1,762
		<u>201,382</u>	<u>57,777</u>	<u>84,086</u>	<u>343,245</u>	<u>423,313</u>
<b>Expenditure on:</b>						
Raising funds	7	1,811	-	-	1,811	63,319
Charitable activities	8	122,170	2,920	135,561	260,651	394,388
		<u>123,981</u>	<u>2,920</u>	<u>135,561</u>	<u>262,462</u>	<u>457,708</u>
<b>Net income/(expenditure)</b>		77,401	54,857	( 51,475 )	80,783	( 34,394 )
Transfers between funds	16	( 49,634 )	27,699	21,935	-	-
<b>Net movement in funds</b>		<u>27,767</u>	<u>82,556</u>	<u>( 29,540 )</u>	<u>80,783</u>	<u>( 34,394 )</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		60,014	95,019	113,534	268,567	302,961
<b>Total funds carried forward</b>		<u>87,781</u>	<u>177,575</u>	<u>83,994</u>	<u>349,350</u>	<u>268,567</u>

All income and expenditure has arisen from continuing activities.

Northern Shape T/A Equal Arts

**Balance Sheet**  
**As at 31 March 2021**


	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b>Fixed assets</b>						
Tangible assets	13	1,390	-	-	1,390	2,072
<b>Current assets</b>						
Debtors	14	22,144	-	-	22,144	2,000
Cash at bank and in hand		93,520	177,575	83,994	355,089	298,292
		<u>117,054</u>	<u>177,575</u>	<u>83,994</u>	<u>377,233</u>	<u>300,292</u>
Creditors: amounts falling due within one year	15	( 29,273 )	-	-	( 29,273 )	( 33,797 )
<b>Net current assets</b>		<u>86,391</u>	<u>177,575</u>	<u>83,994</u>	<u>347,960</u>	<u>266,495</u>
<b>Total assets less current liabilities</b>		<u>87,781</u>	<u>177,575</u>	<u>83,994</u>	<u>349,350</u>	<u>268,567</u>
<b>Funds</b>						
Unrestricted fund					87,781	60,014
Designated funds					177,575	95,019
Restricted funds					83,994	113,534
	16				<u>349,350</u>	<u>268,567</u>

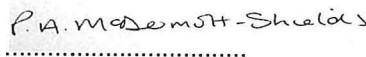
For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The financial statements were approved by the trustees on ....Nov.23.. 2021 and signed on their behalf by:

  
Mrs A Walton – (Chair) – Trustee

  
Ms P A McDermott – (Vice Chair) - Trustee

**Company Registration No: 01992359**

*The notes below part of these financial statements*

Northern Shape T/A Equal Arts

Cash Flow Statement

For the year ended 31 March 2021

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	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	19	55,686	( 22,623 )
<b>Net cash provided by (used in) operating activities</b>		<u>55,686</u>	<u>( 22,623 )</u>
<b>Cash flows from investing activities</b>			
Interest received		1,111	1,762
Payment to acquire tangible assets		-	-
<b>Net cash provided by (used in) investing activities</b>		<u>1,111</u>	<u>1,762</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>56,797</u>	<u>( 20,861 )</u>
Cash and cash equivalents at the beginning of the reporting period		298,292	319,153
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>355,089</u>	<u>298,292</u>

**Notes to the financial statements  
for the year ended 31 March 2021**

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**1. Accounting Policies**

**1.1 Basis of preparing the financial statements**

The financial statements have been prepared in accordance with 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**1.2 Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the impact of COVID-19 on the going concern of the trust, the trust has been awarded a number of one off COVID grants after the year end. The trustees have considered the levels of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**1.3 Fund accounting**

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

**1.4 Income**

All income is recognised in the Statement of Financial Activities (SoFA) when the charity has entitlement to the funds, any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with reasonable certainty. Income received to deliver services over a specific period covering more than one financial year is accounted for over the specific period; related expenditure is accounted when incurred.

Investment income relates to interest earned through holding assets on deposit.

Notes to the financial statements *(Continued)*  
for the year ended 31 March 2021

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**1.5 Expenditure**

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

**1.6 Tangible fixed assets**

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

Fixtures and fittings	-	Straight line over 6 years
Computer equipment	-	Straight line over 3 years

**1.7 Debtors**

Debtors (including trade debtors and loan receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

**1.8 Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with instant access from the date of opening of the deposit or similar account.

**1.9 Creditors and provisions**

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

**1.10 Financial instruments**

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

**1.11 Taxation**

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

**2. Legal status**

Northern Shape is a Company Limited by Guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. The address of the registered office is given in the charity information in the reference and administration pages of these financial statements.

Northern Shape T/A Equal Arts

Notes to the financial statements *(Continued)*  
for the year ended 31 March 2021

3. Comparatives for the Statement of Financial Activities

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b>Income from:</b>						
Donations and legacies	4	34,450	-	310,084	344,534	289,305
Charitable activities	5	60,702	5,430	10,885	77,017	84,636
Investment income	6	1,762	-	-	1,762	1,560
		<u>96,914</u>	<u>5,430</u>	<u>320,969</u>	<u>423,313</u>	<u>375,501</u>
<b>Expenditure on:</b>						
Raising funds	7	63,319	-	-	63,319	51,332
Charitable activities	8	3,657	29,351	361,380	394,388	438,648
		<u>66,976</u>	<u>29,351</u>	<u>361,380</u>	<u>457,708</u>	<u>489,980</u>
<b>Net income/(expenditure)</b>		29,938	( 23,921 )	( 40,411 )	( 34,394 )	( 114,479 )
Transfers between funds	16	( 50,768 )	2,200	48,568	-	-
<b>Net movement in funds</b>		<u>( 20,830 )</u>	<u>( 21,721 )</u>	<u>8,157</u>	<u>( 34,394 )</u>	<u>( 114,479 )</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		80,844	116,740	105,377	302,961	417,440
<b>Total funds carried forward</b>		<u>60,014</u>	<u>95,019</u>	<u>113,534</u>	<u>268,567</u>	<u>302,961</u>

Northern Shape T/A Equal Arts

Notes to the financial statements (Continued)  
for the year ended 31 March 2021

4. Donations and legacies	2021	2020
	£	£
Grants receivable	267,869	313,412
Donations	22,446	31,122
	<u>290,315</u>	<u>344,534</u>
<b>Grants receivable analysis:</b>		<b>£</b>
Community Foundation – Tyne and Wear & Northumberland		24,800
National Heritage Lottery Fund		19,500
National Lottery Community Fund		35,000
Arts Council England Fund		39,125
Nesta		14,000
COVID Response – NLCF		28,400
Independent Age		15,000
Headley Trust		20,000
Cumbria NHS		11,000
Virgin Money #Will		5,000
Ernest Hecht Charitable Trust		4,000
Northumbria Police		4,110
Community Foundation – County Durham		4,844
Barbour Foundation		5,000
Sir James Knott Trust		5,000
Other		33,090
		<u>267,869</u>
<b>5. Income from charitable activities</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Earned income	51,819	77,017
<b>6. Investment income</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank interest receivable	1,111	1,762
<b>7. Raising funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	-	44,561
Individual Giving fundraising officer	-	18,000
Fundraising costs	1,811	758
	<u>1,811</u>	<u>63,319</u>

Northern Shape T/A Equal Arts

Notes to the financial statements (Continued)  
for the year ended 31 March 2021

8. Charitable activities costs

	Direct costs £	Support costs £	Total 2021 £	Total 2020 £
Wages and salaries	64,972	15,999	80,971	140,586
Staff travel and training	-	-	-	9,268
Direct project costs	107,482	-	107,482	180,795
Property costs	-	-	-	19,621
Office costs	20,917	-	20,917	14,650
Comms	36,203	-	36,203	20,483
Professional fees	4,705	-	4,705	1,600
Other costs	8,213	2,160	10,373	7,385
	<u>242,492</u>	<u>18,159</u>	<u>260,651</u>	<u>394,388</u>

9. Support costs

	2021 £	2020 £
Wages and salaries	15,999	27,949
Governance costs (note 10)	2,160	2,160
	<u>18,159</u>	<u>30,109</u>

10. Governance costs

	2021 £	2020 £
Independent examiners' fee	2,160	2,160
	<u>2,160</u>	<u>2,160</u>

11. Net incoming /(expenditure)

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

	2021 £	2020 £
Independent examiners' fee	2,160	2,160
Depreciation – owned assets	682	641
	<u>2,842</u>	<u>2,801</u>

Notes to the financial statements (Continued)  
for the year ended 31 March 2021

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12. Staff costs

	2021	2020
	£	£
Wages and salaries	72,200	124,891
Social security costs	7,539	43,526
Pension costs	5,232	16,719
	<u>84,971</u>	<u>185,136</u>

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

2021	2020
2	6
<u>2</u>	<u>6</u>

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

The charity trustees were neither paid nor received any other benefits from employment in the year (2020 - £nil) neither were they reimbursed expenses during the year (2020 - nil). No charity trustee received payment for professional services or other services supplied to the charity (2020 - nil).

Northern Shape T/A Equal Arts

Notes to the financial statements *(Continued)*  
for the year ended 31 March 2021

13. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>			
At 1 April 2020	2,935	3,824	6,759
Additions	-	-	-
Disposals	-	-	-
At 31 March 2021	<u>2,935</u>	<u>3,824</u>	<u>6,759</u>
<b>Depreciation</b>			
At 1 April 2020	1,581	3,106	4,687
Charge for year	282	400	682
Disposals	-	-	-
At 31 March 2021	<u>1,863</u>	<u>3,506</u>	<u>5,369</u>
<b>Net book value</b>			
At 31 March 2020	318	1,072	1,390
At 31 March 2019	<u>1,354</u>	<u>718</u>	<u>2,072</u>

14. Debtors: amounts falling due within one year

	2021 £	2020 £
Trade debtors	20,581	2,000
Other debtors	1,563	-
	<u>22,144</u>	<u>2,000</u>

15. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	14,205
Social security and other taxes	16,594	3,154
Accruals	12,678	16,438
	<u>29,272</u>	<u>33,797</u>

Notes to the financial statements (Continued)  
for the year ended 31 March 2021

## 16. Analysis of funds

*For the year ended 31 March 2021*

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
<b>Unrestricted funds</b>					
General fund	60,014	201,382	( 123,981 )	( 49,634 )	87,781
<b>Designated funds</b>					
Redundancy reserve	55,400	-	-	19,600	75,000
Creative Ageing Programme	39,619	57,777	( 2,920 )	8,099	102,575
	<u>95,019</u>	<u>57,777</u>	<u>( 2,920 )</u>	<u>27,699</u>	<u>177,575</u>
<b>Total unrestricted funds</b>	<u>155,033</u>	<u>259,159</u>	<u>( 126,901 )</u>	<u>( 21,935 )</u>	<u>265,356</u>
<b>Restricted funds</b>					
HenPower	68,861	16,000	( 27,635 )	-	57,226
NLHF	27,825	-	( 16,200 )	-	11,625
IWill – Virgin	16,848	5,000	( 6,705 )	-	15,143
Covid Funding	-	63,086	( 85,021 )	21,935	-
	<u>113,534</u>	<u>84,086</u>	<u>( 135,561 )</u>	<u>21,935</u>	<u>83,994</u>
<b>Total funds</b>	<u>268,567</u>	<u>343,245</u>	<u>( 262,462 )</u>	<u>-</u>	<u>349,350</u>

**Designated funds**

Redundancy reserve – the fund has been set up to cover contractual redundancy costs and estimated 6 months operational costs the charity would have to meet should it be required to wind up, this calculation is reviewed annually.

Creative age programme – fund relates to project works with older people, volunteers and care staff.

**Restricted funds**

HenPower - This projects works with older people, volunteers and care staff, equipping them with the skills and knowledge to become hen keepers in residential care settings. Alongside the hens, artists deliver creative programmes and involve school children, the community and volunteers.

COVID Funding – grants were secured in order to respond to covid conditions to sustain the organisation and adapt services accordingly in order to meet the needs of beneficiaries in different ways such as by post, telephone and online.

Notes to the financial statements *(Continued)*  
for the year ended 31 March 202116. Analysis of funds *(Continued)*

IWill – This project works with Green Feet Friends to support young people in planting an outdoor space

HLF – This project focuses on LGBT Activism in the North East to support in capturing oral histories and working with young people to produce a touring exhibition to be displayed across the North East.

*For the year ended 31 March 2020*

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
<b>Unrestricted funds</b>					
General fund	80,844	96,914	( 66,976 )	( 50,768 )	60,014
<b>Designated funds</b>					
Redundancy reserve	25,400	-	-	30,000	55,400
Creative Ageing Programme	91,340	5,430	( 29,351 )	( 27,800 )	39,619
	<u>116,740</u>	<u>5,430</u>	<u>( 29,351 )</u>	<u>2,200</u>	<u>95,019</u>
<b>Total unrestricted funds</b>	<u>197,584</u>	<u>102,344</u>	<u>( 96,327 )</u>	<u>( 48,568 )</u>	<u>155,033</u>
<b>Restricted funds</b>					
HenPower	67,815	164,701	( 163,655 )	-	68,861
Creative Friends	28,112	17,560	( 66,441 )	20,768	-
Creative Age	-	39,294	( 67,094 )	27,800	-
Capacity Building	-	30,790	( 30,790 )	-	-
NLHF	-	33,450	( 5,625 )	-	27,825
IWill – Virgin	-	29,560	( 12,712 )	-	16,848
MECC	5,460	5,614	( 11,074 )	-	-
Creative Dementia Project	3,990	-	( 3,990 )	-	-
<b>Total restricted funds</b>	<u>105,377</u>	<u>320,969</u>	<u>( 361,381 )</u>	<u>48,568</u>	<u>113,534</u>
<b>Total funds</b>	<u>302,961</u>	<u>423,313</u>	<u>( 457,708 )</u>	<u>-</u>	<u>268,567</u>

## Northern Shape T/A Equal Arts

### Notes to the financial statements *(Continued)* for the year ended 31 March 2021

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#### 17. Pension costs

The scheme is a defined contribution scheme and the pension charge represents the amount payable by the charity to the fund in respect of the year. Pension contributions payable for the year ended 31 March 2021 amount £16,719 (2020 - £16,719).

#### 18. Related party disclosures

There were no related party transactions for the year ended 31 March 2021 (2020 – None).

#### 19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021	2020
	£	£
Net income/(expenditure) for the reporting period	80,783	( 34,394 )
Adjustments for:		
Depreciation charges	682	642
Interest received	( 1,111 )	( 1,762 )
(Increase) in debtors	( 20,144 )	19,337
Increase/(decrease) in creditors	( 4,524 )	( 6,446 )
Net cash provided by (used in) operating activities	<u>55,686</u>	<u>( 22,623 )</u>