

COUNTY DURHAM ARTS IN EDUCATION AGENCY

REGISTERED CHARITY NUMBER - 1086471

COMPANY REGISTRATION NUMBER - 04027621

TRUSTEES' REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2012

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COUNTY DURHAM ARTS IN EDUCATION AGENCY

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COUNTY DURHAM ARTS IN EDUCATION AGENCY

COMPANY INFORMATION

Company Registered Number

04027621

Charity Registered Number

1086471

Directors / Trustees

M Fleming
B D Ebbatson
J Stirk
S Campbell
F O'Connor
C M Murphy

Company Secretary

A Harrington

Registered Office & Principal Place of Business

Stanley Education Centre
King Edward VIII Terrace
Shield Row
Stanley
Co Durham
DH9 0HQ

Independent Examiner

G C Torbitt
Chartered Accountant
27 Durham Road
Birtley
Co. Durham
DH3 2QG

Company Bankers

Unity Trust plc
Nine Brindleyplace
Birmingham
B1 2HB

COUNTY DURHAM ARTS IN EDUCATION AGENCY

TRUSTEES' REPORT

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2012. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005

1 Structure, Governance & Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 5th July 2000 and registered as a charity on 3rd May 2001. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, at each annual general meeting, other than the first following the date of incorporation, one third of the trustees shall retire by rotation, but they may offer themselves up for re-election

Recruitment and Appointment of Trustees

The trustees of the company are also directors for the purposes of charity law and under the company's Articles are members of the Board of Trustees. The minimum number of board members is 3 and the maximum is 12. A number of methods will be used to source new trustees. These will include identifying potential trustees with the relevant skills and contacting directly. We would seek advice and support from peer organisations including Arts Council England and the Arts and Business Board Bank scheme.

Induction and training of new Trustees

Most trustees are familiar with the practical work of the charity, however the organisation also holds annual board development days and trustees are encouraged to take up training opportunities outside of the organisation when they become available. The board is heavily involved in the creation and implementation of key policy. Throughout the year the Executive Committee will receive further publications as they become available from such organisation as the Charity Commission and Arts Council England

Any new trustee will receive an induction pack and is invited and encourage to attend an induction event. These set out.

- The roles and responsibilities of the Executive Committee
- The main documents relating to the organisation including the Articles of Association
- Resourcing, budget forecasts and current financial position
- Future plans and objectives.

Organisational structure

The board meets on a quarterly basis. The Executive Director serves as Company Secretary and has no voting rights. Additional committees and working groups are established to explore specific issues. Day to day management of the organisation is through the Executive Director, who is supported by one Manager and a Co-ordinator. Line management, supervision and appraisal is undertaken of all staff to ensure the team continue to develop their skills and working practices as part of our drive to ensure quality.

COUNTY DURHAM ARTS IN EDUCATION AGENCY

TRUSTEES' REPORT (CONTINUED)

Structure, Governance & Management (continued)

Related parties

The Forge works closely with many partners including cultural practitioners and cultural organisations. We also have close links with other organisations and individuals from both the voluntary, statutory and business sectors. Partnership development is an integral and fundamental element of the organisations work. We continue to receive core funding from Durham County Council, Sunderland City Council and Arts Council England.

Risk Management

The board works with the Executive Director to identify any potential problems that the organisation may face. Risk review is built into all of the organisations planning on both an operational and strategic level. Rigorous procedures are in place to ensure compliance with health & safety, safeguarding and best practice in the employment of cultural practitioners and programme delivery.

2 Objectives & Activities

Objectives and aims

To create participatory arts projects that inspire young people to become successful, confident individuals capable of reaching their full potential. The Forge will make cultural programmes that are courageous, relevant and excellent.

3 Achievements & Performance

2011-12 has been a period of reflection of 11 successful years of operation and finalising plans for the coming three years. This has resulted in the development of a successful bid to become part of Arts Council England's National Portfolio Organisation delivery structure and the creation of a new three year business plan for the company.

Arts Council England stated in their Annual Review 2010/2011 that The Forge strongly met regular funding criteria in areas relating to. reach; engagement; and governance and management and met criteria in financial sustainability and excellence and innovation of the programme. We managed the transition of Arts Award to a new lead officer, and we're extending our offer with all Officers integrating Arts Award into their programmes as appropriate. As with many organisations, The Forge did suffer funding reductions from core local authority partners. We do remain committed to working in partnership with local authorities on a commission basis whilst also appreciating the need to diversify our income streams, an example of which would be Youth Music.

The Forge maintained a strong performance throughout 2011-12 delivering artistic programme, continuing existing and forging new partnerships, reaching and engaging children, young people and their communities and, managing income and expenditure in an extremely challenging economic climate.

In 2011-2012 we have worked with over 16,630 children and young people, providing over 239 days of employment for over 47 artists.

COUNTY DURHAM ARTS IN EDUCATION AGENCY

TRUSTEES' REPORT (CONTINUED)

Achievements & Performance (continued)

The board and staff undertook a strategic review of The Forge during the year, which resulted in a staffing re-structure, a successful bid to become an ACE National Portfolio Organisation and the development of a new business plan for 2012-15.

Evaluation from artists, participant groups, individuals and commissioners supports the view that a high artistic quality has been sustained across all programmes. The evaluation for the Brass Education programme was highly commended by Durham County Council and played an important part in sustaining the funding for the educational element of the festival.

The programme strands have included mass access offers; more focused projects working with targeted groups; and training and development activity. The programme has involved children and young people in schools and within their communities, working with community activists and their families. We have undertaken strategic programme in partnership with venues and initiatives, sharing our expertise to develop the capacity and skills of partners.

Schools

We have continued to promote the **Connections** brand during this year. It is now well known as a trusted arts in education offer for schools. Given the financial constraints schools told us they were working within, we provided a menu of activity this year, which was marketed in November 2011.

We received bookings from 23 schools. This figure was down from previous years due to a combination of losing staff, a difficult financial climate and a period of transition whilst a new business plan was developed. The majority of bookings are from Durham and the remainder spread across Sunderland, Northumberland and Darlington. This has generated £3,330 income to The Forge and includes 46 Artist in Residence days connecting 18 different artists.

Following the success of Brass 2010, The Forge was re-commissioned to deliver the education programme for Brass 2011, **Durham's International Brass Festival**. This year's programme was much bigger than the previous year with 94 sessions working with 70 schools and over 12,000 young people in the county.

We continued to work with Sunderland City Council and developed a programme at the NGCA exploring themes from the exhibition programme. A series of animation workshops were successfully delivered in November to schools from Sunderland. The project culminated with an exhibition of young people's work at the NGCA in January.

We have continued to support **Artsmark** and have:

- Delivered seminars, surgeries, assessed and moderated applications, and provided Senior Assessor support
- Prior to the Bridges establishment, taken on a regional coordination role to bring all Artsmark delivery organisations together for shared networking opportunities

COUNTY DURHAM ARTS IN EDUCATION AGENCY

TRUSTEES' REPORT (CONTINUED)

Achievements & Performance (continued)

- Since the establishment of the Bridge we have been commissioned to deliver seminar and phone support to ex-CP schools and are planning other projects for the future

We are keen to establish The Forge as a key delivery agency for Artsmark in the North East and will seek to develop a partnership with Bridge north east and Trinity College to achieve this.

Young People and Communities

Contributing to our aim for programmes which are courageous, contemporary and excellent, we were successful in achieving a Youth Music grant to develop beyond the Brass Education Programme. A Sign in Space will see the creation of a new piece of music led by John Kefala-Kerr working with over 100 young people from County Durham.

Programme involving Communities continues to grow and has been an exciting element of The Forge's programme during 2011/12. We are keen to establish the organisation as a company that works with young people and their families both in formal and informal settings. This approach has meant that we have expanded the amount of work delivered in and impacting upon the wider community. The major projects this year were **My Village** in County Durham and **The Past is Another Country** in Northumberland. My Village successfully used the arts to engage communities and achieved both a lasting impact on that community and two high quality art outcomes. This resulted in further funding to extend the programme in 2012. The Past is Another Country took place in Seaton Delaval in partnership with the National Trust and people from the village community. It explored the significance of Seaton Delaval Hall to young people in the community. Films were produced for both projects.

We have continued to find ways to integrate **Arts Award** into our programme. Despite the loss of the Officer who led on Arts Award in the organisational restructure we have sustained our commitment to and delivery of the award. Working closely with Trinity College London and Tees Valley Arts (as a regional expert) we continued to deliver adviser's training in December and February.

The Forge continues the partnership with the north east **Youth Dance Network**. The Pulse programme was delivered with Celebration events at ACW and Stanley Lamplight. The top groups from each celebration went onto perform at regional final at ARC. Highlights included the successful Roker Dance project which culminated with over 100 participants taking part in the mass dance in Roker Park in May 2012. The choreographed mass dance and highlights film is available on The Forge Vimeo channel.

This year saw a major redesign of the website and an increase of our use of social media tools including Facebook and Twitter. We also created a new advocacy document for the company called 'It's a bit life changing really...'

COUNTY DURHAM ARTS IN EDUCATION AGENCY

TRUSTEES' REPORT (CONTINUED)

4 Principal Funding Sources

The principal funding sources were Arts Council England, Durham County Council and Sunderland City Council.

The Forge currently successfully levers income from schools and other public sources including service level agreements, locally and regionally based funds (e.g. Area Action Partnerships), undertakes commissions for specific activity (e.g. County Durham Positive Futures), is contracted to deliver specific, specialist activity (e.g. Artsmark and Arts Award), and fundraises for programme activity (e.g. Youth Music).

5 Financial Review

The variance to incoming resources between 2010/11 and 2011/12 is a result of the Northumberland Arts Project ending, and a continued challenging financial climate which resulted in less direct income from schools, less income available to continue programmes including Youth Dance England and Positive Futures and expected local authority cuts to core income.

However, The Forge maintained partnerships with both Durham County and Sunderland City Councils. This together with a continued commission to deliver the education programme for Brass: Durham International Festival, a new relationship with East Durham Area Action Partnership and a successful bid to Youth Music continued to demonstrate the strong track record that The Forge has in partnership working and programme delivery

To offset the projected income reduction, the trustees allocated a proportion of the reserve budget, and employed full cost recovery models to enable The Forge to continue to deliver exemplary projects.

The trustees and staff annually review the running costs of the organisation and were able to make continued reductions without impacting on performance.

The total incoming resources for the year were £150,788. This represents a decrease of £62,548 from the previous year total of £213,336, and an improvement on 2010/11's deficit. The total resources expended were £168,966, a decrease of £99,893 from the previous year total of £268,859. A deficit of £43,866 on unrestricted or core activities was incurred primarily due to reductions in core income. A surplus of £25,688 on restricted activities was incurred due to a combination of utilising full cost recovery models and income being received in 2011/12 for expenditure in 2012/13. Unrestricted funds carried forward total £234,704 and fulfil the aims of the organisation's reserve policy.

The trustees can report that The Forge remains financially healthy and stable following implementation of a new business plan, strength of its partnerships and accumulated reserve. The Forge continues to perform well in a difficult economic climate, with improvements made on 2010/11 and the trustees are satisfied with this result.

COUNTY DURHAM ARTS IN EDUCATION AGENCY

TRUSTEES' REPORT (CONTINUED)

6 Investment Policy

There remained a similar level of investment income between 2010/11 and 2011/12. This was partly due to a drop in investible funds but primarily and more importantly due to a continued flatlining of the economy. A new investment strategy was developed and implemented in February 2012 which will maximise the value of the organisation's resources

7 Reserves Policy

The trustees have established the levels of reserves for the organisation. The benefits of the policy are as follows:

- Strategic planning and the ability to meet current commitments or start new activities
- A focus on fundraising activities to maintain excellent delivery of activity in a challenging financial climate
- Clear, transparent policy for stakeholders and other interested parties to illustrate that funds are prudently managed.

The trustees consider it prudent that unrestricted funds should be sufficient to

- Sustain the organisation for a nine month period to enable it to meet contractual liabilities and maintain service provision in the event of delays with receipt of funding or should it have to close: £96,200
- Maintaining performance despite an economic downturn and severe public sector cutbacks. £20,000
- Provide for in the event of redundancy: £10,000
- Provide funds that can be designated to specific projects including digital innovation, international collaboration and staff development: £33,800

The level of reserves to fund the above is £160,000. The level of reserves are monitored and reviewed by the trustees at the annual meeting.

8 Public Benefit

From April 2008, section 4 of the Charities Act 2006 requires all charities to meet the legal requirement that its aims are for the public benefit. The trustees confirm that they have complied with the duty to have due regards to the Charity Commission's general guidance on public benefit.

The Charity Commission states that there are two principles to be met in order to show that an organisation's aims are for the public benefit: firstly there must be an identifiable benefit or benefits; and secondly that the benefit must be to the public, or a section of the public.

9 Future Developments

We remain committed to sustaining our partnerships with Durham County and Sunderland City Councils; however we also recognise the need to diversify beyond public sector funding sources, developing new partnerships to ensure the work of the organisation grows.

As part of our business planning process we outlined the following strategic objectives for the period 2012-2015:

COUNTY DURHAM ARTS IN EDUCATION AGENCY

TRUSTEES' REPORT (CONTINUED)

Future Developments (continued)

- Ensure that The Forge is the principal provider of arts education in the North East including affordable high quality mass access products and flagship programmes attracting significant critical interest
- Nurture the development of the Durham National Portfolio Organisation (NPO) network and the creation of excellent artistic produce for the county including festivals
- Develop a more diverse funding portfolio to complement ACE's investment
- Maintain The Forge's role as Arts Council England (ACE) recommended supplier of Arts Award and Artsmark support in Durham and Sunderland
- Measure the artistic excellence, quality and social impact of The Forge's programme, measuring satisfaction and sharing findings annually with stakeholders
- Increasing the range and accessibility of programme available to audiences digitally.

We intend to deliver an interrelated, integrated programme designed to achieve the organisation's strategic objectives. Children, young people and those working with them are central to the programme, and their participation is key to the achievement of the strategic objectives. Approaches to partnership working, and the resulting activity always combines multiple programme areas and provides clarity on the Forge's offer.

10 Statement of Trustees responsibilities

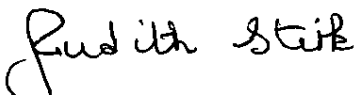
The trustees (who are also the directors of County Durham Arts in Education Agency for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

On behalf of the board 20th September 2012


J Strick - Trustee

COUNTY DURHAM ARTS IN EDUCATION AGENCY

DIRECTORS' REPORT

The directors (who are also the trustees) are pleased to present their report for the year ended 31 March 2012.

PRINCIPAL ACTIVITY

The charity's principal activity continues to be the creation of participatory arts projects that are courageous, contemporary and excellent.

DIRECTORS

The directors who served during the year were M Fleming, B D Ebbatson, J Stirk, S Campbell, F O'Connor and C M Murphy.

SMALL COMPANY STATUS

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, was approved by the board on 20th September 2012 and is signed on its behalf by:


J Stirk - Director

COUNTY DURHAM ARTS IN EDUCATION AGENCY

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF COUNTY DURHAM ARTS IN EDUCATION AGENCY FOR THE YEAR ENDED 31ST MARCH 2012

I report on the financial statements of the Charity for the year ended 31st March 2012 which are set out on pages 12 to 21.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND EXAMINER

The trustees (who are also the directors of the company for the purpose of company law) are responsible for the preparation of the financial statements, The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Act) and that an independent examination is needed.

Having been satisfied that the charity is not subject to audit under company law and is eligible for independent examination it is my responsibility to.

- examine the financial statements under section 145 of the Act,
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5) (b) of the Act; and
- to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention.

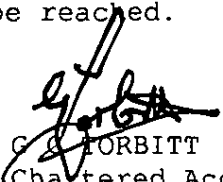
- 1 which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice, Accounting and Reporting by Charities (revised 2005)

have not been met, or

- 2 to which, in my opinion, attention should be drawn to enable a proper understanding of the financial statements to be reached.

20th September 2012


G. A. FORBITT
Chartered Accountant
27 Durham Road
Birtley
Co Durham
DH3 2QG

COUNTY DURHAM ARTS IN EDUCATION AGENCY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST MARCH 2012

	<u>Notes</u>	<u>Unrestricted</u> £	<u>Restricted</u> £	<u>Total</u> <u>2012</u> £	<u>Total</u> <u>2011</u> £
<u>INCOMING RESOURCES</u>					
Incoming Resources from generated funds:					
Voluntary income	2	58,037	-	58,037	93,111
Investment income		686	-	686	825
Incoming Resources from Charitable activities:					
Arts in Education Projects	3	-	92,065	92,065	119,400
		-----	-----	-----	-----
Total incoming resources		58,723	92,065	150,788	213,336
		-----	-----	-----	-----
<u>RESOURCES EXPENDED</u>					
Cost of generating funds					
Cost of generating voluntary income					
	4	23,533	-	23,533	28,353
Charitable activities					
Arts in Education Projects	4	73,023	66,377	139,400	234,085
Governance Costs	4	6,033	-	6,033	6,421
		-----	-----	-----	-----
Total Resources Expended		102,589	66,377	168,966	268,859
		-----	-----	-----	-----
Net incoming/(outgoing) resources		(43,866)	25,688	(18,178)	(55,523)
Reconciliation of funds					
Total funds brought forward		278,570	13,306	291,876	347,399
		-----	-----	-----	-----
TOTAL FUNDS CARRIED FORWARD		234,704	38,994	273,698	291,876
		=====	=====	=====	=====

The notes on pages 14 to 20 form part of these financial statements

COUNTY DURHAM ARTS IN EDUCATION AGENCY

BALANCE SHEET AT 31ST MARCH 2012

	Notes	£	<u>2012</u> £	£	<u>2011</u> £
FIXED ASSETS					
Tangible assets	8		5,988		6,825
CURRENT ASSETS					
Debtors	9		22,628		7,340
Cash at bank and in hand			287,472		347,132
			-----		-----
			310,100		354,472
CREDITORS: amounts falling due within one year	10		42,390		69,421
			-----		-----
NET CURRENT ASSETS			267,710		285,051
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES			273,698		291,876
			=====		=====
FUNDS	11				
Unrestricted funds			234,704		278,570
Restricted funds			38,994		13,306
			-----		-----
TOTAL FUNDS			273,698		291,876
			=====		=====

For the financial year ended 31st March 2012 the company was entitled to exemption from audit under section 477 Companies Act 2006 and no notice has been deposited under section 476.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with s 386 and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

Signed on behalf of the board of directors on 20th September 2012

.....*S. Campbell*
S Campbell - Director

The notes on pages 14 to 21 form part of these financial statements.

COUNTY DURHAM ARTS IN EDUCATION AGENCY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and include the results of the charity's operations which are described in the report of the trustees and all of which are continuing.

The financial statements have been prepared in compliance with Statement of Recommended Practice on Charity Accounts.

The charity has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement.

(b) Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

(c) Restricted funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of executive and support costs.

(d) Incoming resources

Incoming resources refers to local and central authority funding, and other grants and donations received. In accordance with the Statement of Recommended Practice they are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

(e) Resources expended

Charitable expenditure

Expenditure on operational programmes is recognised in the period in which it is incurred.

Costs of managing and administering the charity

These represent costs incurred that are attributable to the management of the charity's assets, organisation of the administration and compliance with constitutional and statutory requirements.

Resources expended includes VAT which cannot be recovered.

COUNTY DURHAM ARTS IN EDUCATION AGENCY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012 (CONTINUED)

1 ACCOUNTING POLICIES (continued)

- (f) Tangible Fixed Assets and Depreciation
Tangible fixed assets for use by the charity are stated at cost less depreciation.
Depreciation of tangible fixed assets is calculated to write off the cost of fixed assets over their estimated useful lives as follows:-

Office equipment - 15% reducing balance

Direct charitable expenditure on fixed assets, for both the restricted and the unrestricted funds of the charity, is shown as additions to fixed assets in note 8.

- (g) Operating leases
Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are reflected in the Statement of Financial Activities as incurred.

2 VOLUNTARY INCOME

	2012	2011
	£	£
Arts Council England, North East	40,137	43,111
DCC Adult and Community Services	12,900	30,000
Sunderland City Council	5,000	20,000
	-----	-----
	58,037	93,111
	=====	=====

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

Grants received are as follows.

	2012	2011
	£	£
Artsmark	6,880	1,352
Youth Digital Music	25,496	2,000
Northumberland Arts Project	-	26,165
Brass Education Project	-	20,000
Connections	3,330	21,935
Sunderland City Council - NGCA project	3,885	-
Dream TV/CDSAOG	-	120
Arts Award	1,710	3,544
After School Clubs	-	2,128
Youth Dance England	8,790	24,327
Creative Partnerships Durham & Sunderland	2,000	400
AHR Involve	4,999	-
Roker Dance	5,000	-
My Village	28,475	-
Positive Futures	-	15,429
Herrington Hall Stones project	-	2,000
North Pennines	1,500	-
	-----	-----
	92,065	119,400
	=====	=====

COUNTY DURHAM ARTS IN EDUCATION AGENCY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012 (CONTINUED)

4 OUTGOING RESOURCES

	2012		2011	
	£	£	£	£
Costs of generating voluntary income				
Wages	19,609		22,829	
Social security	1,580		1,884	
Pension contributions	2,344		3,640	
	-----	23,533	-----	28,353
Charitable activities				
Wages	64,429		80,549	
Social security	5,193		6,826	
Pension contributions	7,703		10,693	
Other direct project costs	41,316		103,828	
Support Costs - Management				
Wages	5,602		8,220	
Social security	452		687	
Pension Contributions	670		-	
Finance Support	1,671		2,862	
Other Costs				
Premises costs	5,296		-	
Insurance	1,413		1,201	
Telephone	931		1,112	
Postage and stationery	895		1,280	
Sundries	257		8,255	
Travelling	1,840		2,142	
Books and Subscriptions	-		131	
Training and Development	450		-	
Marketing	290		3,796	
Office maintenance	155		893	
Bank charges	-		154	
Depreciation	837		1,456	
	-----	139,400	-----	234,085
Governance Costs				
Wages	3,735		4,367	
Social security	301		340	
Pension contributions	447		754	
Independent examination	960		960	
Refreshments and board expenses	590		-	
	-----	6,033	-----	6,421
Total resources expended		168,966		268,859
		=====		=====

COUNTY DURHAM ARTS IN EDUCATION AGENCY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2012 (CONTINUED)

5 NET INCOME/(OUTGOING) RESOURCES

Net resources are stated after charging:

	2012	2011
	£	£
Depreciation - owned assets	837	1,456
	=====	=====

6 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2012 (2011 nil)

7 STAFF COSTS

	2012	2011
	£	£
Wages and salaries	93,375	116,186
Social security costs	7,526	9,737
Other pension costs	11,164	15,087
	-----	-----
	112,065	141,010
	=====	=====

The average monthly number of employees during the year was.-

	2012	2011
Trustees	6	7
Fundraising	1	1
Charitable activities	2	3
	---	---
	9	11
	===	===

COUNTY DURHAM ARTS IN EDUCATION AGENCY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012 (CONTINUED)

8 TANGIBLE FIXED ASSETS

	<u>Equipment</u> £
COST	
At 1 st April 2011	17,830
Additions	-

At 31 st March 2012	17,830
	=====
DEPRECIATION	
At 1 st April 2011	11,005
Charge for year	837

At 31 st March 2012	11,842
	=====
NET BOOK VALUES	
At 31 st March 2012	5,988
	=====
NET BOOK VALUES	
At 31 st March 2011	6,825
	=====

9 DEBTORS

Due within one year:-

	2012	2011
	£	£
Trade debtors	9,181	5,190
Other debtors	13,447	2,150
	-----	-----
	22,628	7,340
	=====	=====

10 CREDITORS

Amounts falling due within one year:-

	2012	2011
	£	£
Trade creditors	5,345	2,970
Other creditors	37,045	66,451
	-----	-----
	42,390	69,421
	=====	=====

COUNTY DURHAM ARTS IN EDUCATION AGENCY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012 (CONTINUED)

11 MOVEMENT IN FUNDS

	At 01.04.11 £	Incoming Resources £	Resources Expended £	Transfers Between Funds £	Balance 31 03.12 £
Unrestricted funds					
General fund	118,570	58,723	102,589	-	74,704
Designated fund	160,000	-	-	-	160,000
	-----	-----	-----	-----	-----
	278,570	58,723	102,589	-	234,704
	=====	=====	=====	=====	=====
Restricted funds					
Creative Force/Youth Digital					
Music	4,503	25,496	5,178	-	24,821
Youth Dance England	-	8,790	8,790	-	-
Creative Partnership	-	2,000	2,000	-	-
AHR Involve	-	4,999	4,999	-	-
Roker Dance	-	5,000	5,000	-	-
My Village	-	28,475	14,302	-	14,173
Durham CC Positive Futures	600	-	600	-	-
North Pennines ANB	-	1,500	1,500	-	-
Sunderland City Council					
NGCA project	-	3,885	3,885	-	-
Artsmark	-	6,880	6,880	-	-
Arts Award	-	1,710	1,710	-	-
Connections	-	3,330	3,330	-	-
Brass Education	8,203	-	8,203	-	-
	-----	-----	-----	-----	-----
	13,306	92,065	66,377	-	38,994
	=====	=====	=====	=====	=====
TOTAL FUNDS	291,876	150,788	168,966	-	273,698
	=====	=====	=====	=====	=====

Project Activity Summaries

Youth Digital Music: development of a new music commission by young people in County Durham.

Youth Dance England: undertaking the role of Youth Dance Hub Partner for both Durham and Sunderland, planning and delivering programme to raise the profile of dance.

Creative Partnerships: undertaking a Creative Agent role to support schools in the delivery of their enquiry based programmes.

AHR Involve: provided a range of arts programme for young people aimed at reducing alcohol consumption and alcohol related behaviour.

Roker Dance: a project showcasing and highlighting youth dance from across Sunderland also engaging people in a mass dance as part of Sunderland City Council's Sea Change programme.

My Village: a series of arts based intergenerational programmes exploring cultural identity and community cohesion.

COUNTY DURHAM ARTS IN EDUCATION AGENCY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012 (CONTINUED)

Project Activity Summaries (continued)

Positive Futures: a programme providing opportunities for young people to explore the arts and work towards their Arts Award

Area of Outstanding Natural Beauty. creation of online support materials completing the project.

NGCA Project: a project increasing the profile of the Northern Gallery for Contemporary Art to schools as a learning venue through delivering creative activity inspired by NGCA exhibitions

Artsmark: co-ordination and delivery of training and support for schools applying to Artsmark, and assessment and moderation of applications.

Arts Award: delivery of Bronze/Silver adviser training across Durham and Sunderland.

Connections: a menu of activity delivered to raise the profile of the arts in schools.

Brass Education: management and evaluation of the Brass 2010 Durham International Festival Education Programme.

12 PENSIONS COMMITMENTS

County Durham Arts in Education Agency participates in a non-contributory pension plan providing defined benefits based on final pensionable pay for certain employees.

The assets of the scheme are held separately from those of County Durham Arts in Education Agency, and are administered on their behalf by Durham County Council as part of their final salary scheme.

It is not possible to separately identify the assets and liabilities relating to County Durham Arts in Education Agency for purposes of FRS 17 disclosure.

13 ULTIMATE CONTROLLING PARTY

The charitable company is controlled by its trustees

COUNTY DURHAM ARTS IN EDUCATION AGENCY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST MARCH 2012

	2012		2011	
	£	£	£	£
INCOMING RESOURCES				
Voluntary income				
Arts Council England, North East	40,137		43,111	
DCC Adult and Community Services	12,900		30,000	
Sunderland City Council	5,000		20,000	
	-----	58,037	-----	93,111
Investment income		686		825
Incoming resources from charitable activities		92,065		119,400
		-----		-----
Total incoming resources		150,788		213,336
RESOURCES EXPENDED				
Costs of generating voluntary income				
Wages	19,609		22,829	
Social security	1,580		1,884	
Pension contributions	2,344		3,640	
	-----	23,533	-----	28,353
Charitable activities				
Wages	64,429		80,549	
Social security	5,193		6,826	
Pension contributions	7,703		10,693	
Other direct project costs	41,316		103,828	
	-----	118,641	-----	201,896
Support Costs - Management				
Wages	5,602		8,220	
Social security	452		687	
Pension Contributions	670		-	
Finance Support	1,671		2,862	
Other Costs				
Insurance	1,413		1,201	
Telephone	931		1,112	
Postage and stationery	895		1,280	
Sundries	257		8,255	
Travelling	1,840		2,142	
Books and Subscriptions	-		131	
Training and Development	450		-	
Marketing	290		3,796	
Office maintenance	155		893	
Bank charges	-		154	
Depreciation	837		1,456	
Premises Recharge	5,296		-	
	-----	20,759	-----	32,189
Governance Costs				
Wages	3,735		4,367	
Social security	301		340	
Pension contributions	447		754	
Independent examination	960		960	
Refreshments and board expenses	590		-	
	-----	6,033	-----	6,421
		-----		-----
Total resources expended		168,966		268,859
		-----		-----
Net income/ (expenditure)		(18,178)		(55,523)
		=====		=====

This page does not form part of the statutory financial statements