



Company registered number 5288784  
Registered charity number 1107607

**Arts for Recovery in the Community**

**Annual Report and  
Financial Statements**

**for the year ended 31st March 2018**

**Arts for Recovery in the Community**  
**Report of the Directors for the year ended 31<sup>st</sup> March 2018**

The Directors present their annual report and unaudited financial statements for the year ended 31<sup>st</sup> March 2017.

**Reference and Administrative Information**

Charity name	Arts for Recovery in the Community
Charity Registration Number	1107607
Company Registration Number	05288784
Registered Office	Unit 33M Vauxhall Industrial Estate Greg Street Stockport SK5 7BR

**Directors**

Julia McBryde	Chairperson
Kevin Brosnahan	
Safia Griffin	
Wendy Jones	
Rachel Lake	
Steven Pepperell	<i>Resigned 26 October 2017</i>
Graeme Draper	<i>Appointed 14 June 2018</i>
Vivs Long-Ferguson	<i>Appointed 14 June 2018</i>

**Company Secretary**

Rachel Lake

**Principal staff**

Michael Anderson	Chief Executive
Jacqui Wood	Artistic Director
Linda Beckwith	Finance administrator

**Independent Examiner**

Paul Cowham MA FCA DChA  
Green Fish Resource Centre  
46 – 50 Oldham Street  
Manchester  
M4 1LE

**Bankers**

Yorkshire Bank plc 34 Princess Street Stockport SK1 1RE	Barclays Bank PLC Leicester LE87 2BB
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**Arts for Recovery in the Community**  
**Report of the Directors for the year ended 31 March 2018**

**Structure, governance and management**

***Company status***

The company, is a charitable company, incorporated under the Companies Act of 1985 as a private limited company on the 17<sup>th</sup> November 2004 and entered into the Central Register of Charities on the 13<sup>th</sup> January 2005. The company is limited by guarantee and all members have agreed to contribute a sum not exceeding £1 in the event of a winding-up. The number of guarantees at 31<sup>st</sup> March 2018 was 5.

***Governing document***

The company is controlled via its Memorandum and Articles of Association. Members of the company are volunteers, directors of the company and trustees of the charity. The number of members must be a minimum of three and a maximum of twelve.

An AGM is held by the company and the Board of directors meets at least six times per year. The board is responsible for the annual report and accounts, and overseeing policy, personnel, and the strategic direction of the Charitable Company. It ensures company documents and key policies are reviewed on a regular basis.

***Recruitment and appointment of Directors***

Directors are recruited from a number of sources, including personal recommendation, GMCVO, Reach, Manchester User Network (MUN), and ex-participants of Arc. The Board has defined the skill profiles required and actively seeks to establish a diversity of backgrounds and experience of its members.

Prospective directors are invited to submit an application, to tour the premises, and to meet key people. They are subsequently interviewed by the Board and required to present a personal statement of their potential contribution to Arc. They are made aware of their responsibilities and are also required to provide two referees who are contacted before appointment is approved. All directors are checked via the Disclosure and Barring Service (DBS).

***Induction and training of trustees***

New trustees are given a pack containing governance information about Arc, its policies and procedures, and the roles and responsibilities of trustees. They are invited to attend training courses relevant to their roles.

***Organisational structure***

The Chairperson leads the Board and line manages the Chief Executive. There are three sub-committees that oversee key areas of governance and report back to the full board with matters for approval and discussion. These are:-

- Impact, Strategy, Outcomes and Delivery Sub-committee
- Finance, Fundraising and Risk Sub-committee
- Personnel, Policy and Quality Sub-committee

The minimum expected attendance for any sub-committee is at least one principle staff member and two trustees. All trustees are encouraged to attend sub-committees meetings and expected to when their specialist expertise is required.

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***Risk management***

The charity trustees regularly review and assess the risks faced by the charity in all areas of its work and plan for the management of those risks. To this purpose, a Risk management policy and register has been adopted, and is overseen by the Finance, Fundraising and Risk Sub-committee, to which staff report.

The charity trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks.

Major risks are those risks that have a major impact and a probable or highly probable likelihood of occurring. If they occurred they would have a major impact on some or all of the following areas:

- governance
- operations
- finances
- environmental or external factors such as public opinion or relationship with funders
- Arc's compliance with law or regulation

Arc's policy document and risk register sets out to:

- Identify the major risks that apply to our charity and their impacts
- Provide a basis to make decisions about how to respond to the risks we face
- State and rationalise our risk tolerance in uncertain times and in line with strategy and values
- Provide records to write an appropriate risk management statement in our annual report

Assessing and management of risk is a whole team effort, and while the Trustee Board holds ultimate responsibility for this, appropriate and proportionate responsibility is delegated to staff.

Arc is able to state that there have been no major incidents or risks in 2017/18 that required reporting to the Charity Commission. A potential and significant risk was identified with the legal requirement to implement the General Data Protection Regulation (GDPR) by 25 May 2018. Throughout 2017/18 Arc developed a raft of policies and procedures for this purpose, including new Data Protection and Privacy Policies, ensuring that these would be embedded as good practice in the day to day running of the organisation. Arc will continue to implement its risk management policy to ensure that the organisation complies with the charity commission's requirements as outlined in their guidance on risk management for charities (CC26).

***Related parties***

The Company operates independently and there are no related party transactions. Board members and their immediate relatives have no contractual relationships, other than at arm's length, with any suppliers or fund providers.

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**Objectives and activities**

***Objects and aims***

The Company is established to relieve sickness and protect mental good health through the use of the arts and creative activity in North West England, in particular but not exclusively in Stockport. The aims of the Company are to promote positive images of mental health by facilitating high quality arts projects, which reach out into the community and encourage service users to take further steps towards education, volunteering or employment. It seeks to empower the service users to develop their personal potential and to connect with the wider community.

***Mission Statement***

Arc provides accessible opportunities for people from all backgrounds to experience high quality creative projects, commissions, training workshops, enterprise activities and exhibitions.

We include people who are in difficulty, vulnerable, excluded, ill, or isolated. We do this in our centre and in the wider community. We carry our arts and health offer to many different places.

We work in partnership and share our skills and experience. We try to leave behind something of value to people wherever we go.

***Activities undertaken for public benefit in relation to objects***

In planning our activities for the year we kept in mind the Charity Commission's guidance on public benefit. Regular reports on activities are submitted to the directors at board meetings from the Chief Executive and the Artistic Director to enable the directors to monitor progress. This and other mechanisms, such as the annual rolling strategic plan, enabled the trustees to ensure that new and current activities are in line with the company's aims and objectives and the Charity Commission's guidance.

***Main activities undertaken to further the the charity's purposes for the public benefit***

At Arc we help people to manage their mental health and increase their wellbeing by exploring what it means to live well, to experience meaning and purpose; to flourish and to make a difference. We provide opportunities for people to explore their creativity, connect with each other and learn new skills.

- Vulnerable adults & young people benefit from our structured programmes of support which help them on a journey through recovery to wellbeing and independence.
- For health partners and commissioners Arc offers a specialist service which uses the unique power of the arts to support recovery from mental ill health. We have unrivalled experience in the development of high impact, bespoke support programmes for people in all stages of recovery.
- For communities we offer the opportunity to experience, design and co-produce inspirational arts events which build capability and change perspectives about where they live.
- We offer artists training, space, opportunities and resources to develop their practice in socially engaged settings.
- Members of the public with a creative interest are given the opportunity to develop their creativity and learn new practical skills.

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**Achievements and performance**

2017/18 has been a year of

- Inspiring creativity
- Raising aspirations
- Promoting individual and communal wellbeing
- Creating new opportunities for participants
- Celebrating partnerships
- Developing artists.

**Inspiring Creativity**

Arc engages creatively with people in many ways, including reaching individuals through outreach and community projects and providing studio based creative and personal development programmes.

We have offered a diverse programme of events and activities this year, delivering 96 projects

- 53 with vulnerable adults and young people
- 43 at creative community engagements and through our public programme

During the year we worked intensively with 170 people experiencing serious mental ill health and other complex needs as part of our arts and wellbeing programmes.

In addition, we supported over 250 inpatients through creative activities in the Mental Health Unit of Stepping Hill Hospital.

The Community Outreach programme reached out to vulnerable and isolated people in some of the most deprived neighbourhoods in Stockport. Each outreach course was delivered by a professional community artist, alongside an Arc volunteer (often a previous service user) and social work student. Participants experienced process-driven art-making in an accessible & relaxing environment, then went on to develop individual pieces on themes such as identity, loves, places and memories.

In the Challenge programme in our studios in Reddish, we used creativity as a starting point to build resilience and a supportive group dynamic for people who are extremely fragile when they join us. We aim to provide activities which enable the most vulnerable people to stabilise, rebuild structure and resilience, begin to make new friendships, refresh their skills and begin to look forward to an independent future in which they can manage their mental health. Throughout the 6-month long courses, they were introduced to a range of creative practices including painting, textiles, printmaking, ceramics, creative writing.

*“The sessions have opened my eyes to different types of art.”* Challenge participant

This year we worked with 178 children and young people in Arc and in partner organisations, extending and developing creative support for children and young people experiencing or at risk of emotional and psychological distress. Projects included creative walks with our Artspace programme for referred young people, exploring self identity through making dream catchers with young girls from the Bangladeshi Womens Centre, and several music-making projects supported by funding from Youth Music. Led by professional musicians and songwriters, these projects reached young people from Pupil Referral Units and Healthy Young Minds, young carers and teenage pregnant girls.

We've continued to build the Arc Centre into a thriving community hub which not only provides safe, secure care setting for acutely vulnerable clients but is also open to the wider community for courses, events, exhibitions and performances. This continues to bridge the divide between people with 'mental health needs', and people who want to learn something new, develop their skills, make new friendships.

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We welcomed over 2,200 visitors to Arc Centre for courses, exhibitions, events and networking opportunities. We delivered 56 workshops as part of our public programme as well as our popular monthly Saturday Art Clubs for local families. Workshops included pottery, textiles, printmaking, drawing and photography.

*"That's the best 2 hours I've spent in years"* participant in public pottery workshop

*"Great space, helpful people. Good to have a go at something dynamic! I was very pleased with the ideas, the materials and support given."* Participant, public workshop

**Raising Aspirations**

We've designed ambitious and inclusive arts projects offering those taking part the opportunity to build confidence, celebrate their achievements, fulfil potential and find meaning & purpose in what they create.

In our arts and wellbeing programmes we have developed supported pathways for the people we reach, offering progression at an individual pace.

Participants on our outreach programme in the community progressed from learning creative skills to creating work for 6 public celebratory exhibitions, attended by over 400 people including family and friends. This had an enormous impact on self confidence and self-esteem.

In 2017/18 47 people moved on from our outreach programmes to our Arc Centre Challenge Programme, which offers personal development and bespoke support to help participants take positive steps forward, whilst 11 moved on to self-led groups in the community (supported arms-length by Arc).

During Challenge, participants were encouraged to take responsibility and ownership of their own wellbeing and to build vital social networks. 12 people moved on to self-led groups, 6 moved into volunteering with Arc, 3 people moved onto other services with our support and 2 people moved into further education/training.

*"I have made some lovely new friends who I hope to keep in touch with. It has helped me to forget how difficult life can be and has stopped me hiding away at home. It has increased my confidence and I have taken on more responsibility in another group I belong to."* Challenge participant

*"I hope my health allows me to volunteer at Arc in the future. It is a truly inspirational place."* Challenge participant

*"The service Arc provide is such a valuable support package to so many vulnerable people. Having supported 4 people to attend Arc outreach sessions, I can say that each one experienced a very special journey and in their words it has helped them to 'feel normal again'. For one in particular, the brilliant support of Arc truly was the start of her making big changes in her life."* Helen, referrer, Job Centre

Volunteers have had a huge impact on Arc's development over the years. We have seen people grow as artists, facilitators, support workers, administrators and more. Arc has welcomed volunteers who want to learn new skills, improve their employment prospects or simply be creative whilst helping others. Many of our volunteers have come from within our own programmes – and for some it has been a huge journey from vulnerability to increased confidence and opportunity.

During this year 73 people volunteered with Arc, giving over 2,500 hours, which is the equivalent of £19,575 worth of staffing, when calculated using the current living wage.

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Volunteers contributed to all Front of House and 'backstage' operations at the Arc Centre, including curating exhibitions, making Arcware products and staffing the Gallery shop; marketing, press and social media; and supported creative activities across our Arts and wellbeing as well as public programmes.

*"I wanted to do something that not only benefitted me, but others as well."* Hina, volunteer

*"I started volunteering at Arc to develop my confidence, to meet like-minded people and to get involved in artistic projects. Being here has definitely done this!"* Molly, volunteer

*"I started volunteering for Arc because I wanted to be involved in something creative in my local community having only lived in the area a short time.*

*I love mentioning Arc to locals because even people who have lived in the area for a long time, are discovering this hidden local gem. I usually volunteer for Saturday family events and I enjoy the energy and positivity each month. It's great to see familiar faces each month as well as welcoming new ones. The best part about volunteering is listening to people share stories about their experiences and their creative journeys."* Kath, volunteer

*"I started volunteering at Arc supporting an artist at an outreach session and through this found the confidence to create some of my own artwork to sell.*

*I have supported sessions on the Challenge programme and now plan and lead my own workshops. I have been inspired to change my career path and I now work as an Educational Assistant in a school for children with Autism, whilst still enjoying involvement at Arc."* Lisa, volunteer

**Promoting Individual and Communal Wellbeing**

Arc's focus has always been to improve the mental health and quality of life of the people we work with. We design our projects to be challenging, stimulating but also enjoyable, hoping they encourage us all to imagine new possibilities for ourselves.

Using our bespoke outcomes monitoring framework, we can report that this year 76% of participants on our Outreach arts and wellbeing programmes experienced improved mental health/well-being. 80% felt less isolated within their community.

91% of our Challenge arts and wellbeing programme participants reported improved wellbeing as a result of the programme. 61% reported reduced social isolation.

*"Being a person who a couple of months ago rarely left the house, the outreach programme has not only helped me to develop my artistic skills but has also provided a platform in which to launch myself into something that doesn't just bring me pleasure, but also has helped me to keep my demons at bay. Finding a safe place and an outlet in which I can express my emotions has done so much for my well being"* Luke, participant

The children and young people who took part in our activities during 2017/18 made new friends and experienced the important role creativity can play in supporting wellbeing and expressing difficult emotions.

*"My daughter has always struggled to make friends. I was so proud of her when I've watched her join in every week and I've seen her smile"* Parent, MusicSpace project

*"Through the project he learnt to marble, collage, take photos and manipulate images which he was really good at. With encouragement he helped other young people with their work and slowly started joining in with them at break times. His confidence has really grown. This is the first time that he's been willing to interact with his peer group"* PRU staff member

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Our public programme gave many people a chance to explore the role of creativity in coping with anxiety and stress and improving mental health.

*“As someone who has not been drawing or doing anything artistic for many years it was perfect, helped me feel at ease and build my confidence. Calm, nice people and relaxed.”*

We have built a new wellbeing offer for corporate & organisational clients. Recently several groups have commissioned us to design and host team ‘awaydays’, combining our well equipped venue with creative activities which promote teambuilding and wellbeing.

*“We had the best afternoon, so much more than I expected. Thank you for being accommodating to all our needs but also making it informal enough for people like Michael to feel able to come and talk to us and share his story of how you have helped him. That kind of interaction is priceless. To get the clinical team to hear that and experience the great fun and learning was just brilliant”* Kay, Manager, Alvanley GP Practice

*“I learnt to take a chance and try something different, and the result was pleasantly surprising. As a trainee teacher, it was important for us to see how taking risks and doing something out of your comfort zone can be so rewarding”* Participant, Cheadle Hulme High School Wellbeing Away Day

**Creating new opportunities for participants**

Although our wellbeing courses are time-limited, access to creative opportunities through Arc is not. We continue to promote creative projects to those who have completed our programmes, when the opportunities arise. Our ‘Post-Challenge’ offer is extensive – from trips to the theatre in Manchester, regular Arc-based activities such as mindful movement, creative writing and a community choir to amazing ad hoc opportunities which introduce those who have connected with us to the wider cultural landscape.

One such project arose this year, when we were approached by the department of English and American Studies at Manchester University as part of an action research project into the medieval notion of curiosity. 10 ex-Challenge participants worked with Dr Anke Bernau over several months to produce their own curious pieces, which featured in a short film by John Grey. The work was presented at an academic conference and is now viewed through our website and social media.

*“I was amazed that they were so creative, so ambitious in the projects they designed, and so committed as well....I was humbled by that.”* Dr Anke Bernau, Senior Lecturer, Manchester University

Opportunities for participants to work professionally alongside artists, can lead to a massive gain in skills and confidence – which is encouragement to try new roles as volunteers, facilitators and artists.

In the summer of 2017 Stockport Libraries Service commissioned Arc to design public artwork for the newly renovated foyer of Central Library, which engaged with the public and connected them to this vital community resource. Large scale embroidered artworks were co-designed and produced by Stockport residents with textile artist, Julie Mosley, celebrating both Stockport’s history and heritage alongside the wealth of resources and literature available at the Library. Over 20 people, most of them current or recent Arc participants, developed the piece in our studio and then celebrated its unveiling by deputy mayor, Walter Brett.

We’re increasingly integrating our ‘public’ exhibitions and projects with our work with vulnerable people, to create new journeys and break down barriers and misconceptions around mental health.

An example of this was our Indian Summer Exhibition & ‘Cherish’ Project, Sept 17 to Jan 18. Indian Summer was an exhibition of Kantha Indian embroidery, which involves stitching on saris to recycle them as usable items like cushions and quilts, alongside other pieces of highly detailed embroidery. The

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stunning embroidery pieces were made by a group of woman from Paddyfield School in the village of Bonhoogly, to the south of Kolkata in West Bengal, India, with which Arc has a long-term link. This exhibition brought significant new audiences including specialist textiles groups from Sheffield and Southport.

Inspired by the exhibition, Arc commissioned artist Jasmine Walne to lead a collaborative creative project with four women's groups: Ananna (Manchester Bangladeshi Women's Group); Stockport Women's Centre; a group from Arc; and Roshni, an inspirational women's rights group based in an impoverished neighbourhood in Kolkata (one of the most crowded communities in India, where women often experience domestic violence alongside severe economic hardship). Women in all four settings developed new artworks around the theme of objects they *cherished*. The works were shared in an exhibition and online.

*"I enjoyed the personal element of the project, where we were able to bring in items from home, including jewellery, ornaments etc to use as stimulus for the artwork. This allowed us to reminisce, to tell the stories behind these items and think about them in relation to our identity and talk about our memories of Bangladesh....I really liked that the groups came together after our workshops, to look at each other's work...- we all took part in this special project and wouldn't otherwise have crossed paths"* Participant in Cherish Project in Arc.

Using Esmée Fairbairn funding we commissioned mixed media artist Sarah Greaves to lead a long-term, embedded creative project working with women with experience of perinatal mental illness. Initially based in Stockport, Sarah worked intensively with a group of 15 extremely vulnerable women to enable them to explore the transition to motherhood, and towards wellbeing, through art. The project was developed in response to significant gaps in provision.

Building on the success of this extended process of engagement, Arc secured Arts Council funding to develop the project into a major touring exhibition and associated workshops in Stockport, Manchester, Oldham, Crewe and Leeds, called *The Other in Mother*. We are now developing partnerships with CCGs and other local women's organisations in these areas, where there is huge demand for effective support for women experiencing perinatal mental ill health. We expect this to be a significant strand of our work from 2019 onwards, given the social importance of maternal mental health, the effectiveness of our arts-based approach, and the dearth of statutory services.

*"It's given me time to relax and this has made me feel so much better during the week. I've been able to cope with the challenges of having a new baby a lot better"*.

*"I feel more confident than I have since I had my children. I don't feel suicidal anymore. Less numb"*.

*"Thank you so much, I feel like you have helped to change my life"* Participants, Creative Mums project

#### **Celebrating partnerships**

Arc is committed to engaging more widely by delivering creative projects with hard to reach isolated groups, through bespoke partnerships.

We have increased our visibility through partnership working and have developed effective relationships with cultural partners, community partners (including 8 partner organisations for our Young People's Arc programme) and at least 16 referral partners in order to reach more vulnerable people.

Key partnership projects in 17/18 included:

**Stockport Carers Group.** Carers play an invaluable role in society, however the emotional pressure and challenges a caring commitment can bring, can be isolating. It is also well known that many carers are so busy caring for others, they often neglect their own wellbeing; an estimated 40% of carers experience depression.

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We delivered drop-in art activities at a number of carers events over the year and responded to their feedback by designing a textiles project in partnership with Stockport Signpost for Carers. From exploring relaxing textiles techniques which carers could share with the person they cared for, to creating a collaborative sensory final piece that has since been exhibited, the carers learnt new skills and became such a strong group that they have continued beyond the project. They are now self-led, working with an artist and welcoming new people.

*"This group has changed my life. It's given me something to look forward to...something just for me"* Carer  
*"In terms of outcomes, we really couldn't have wished for more from this project"* Julia Hewer, deputy director, Stockport Signpost for Carers

**Adults with Autism.** This year, in partnership with Stockport Advocacy, we worked with a group of adults with Autism who have had difficulties forming and maintaining friendships throughout their lives and consequently have felt isolated and marginalised.

Our 3D ceramics project, using the tactile and therapeutic medium of clay, brought an accessible, relaxing and skill-building experience to the group. Participants who had struggled to interact with others previously, were now smiling, talking, and enthusiastically taking part in the sessions, something Stockport Advocacy had not seen in some of their service users before.

*"It's been a huge positive step forward. The course has given the participants a purpose, they are interacting more and it has opened new doors and opportunities."* Mary Edwards, Stockport Advocacy

*"I've learnt that being creative can be relaxing...It allows my head to quieten down"* participant in Autism project

Partnerships can extend our geographical range, working with communities beyond Stockport.

**Refugees & Asylum Seekers** In conjunction with the Boaz Trust, Arc undertook a 5 week project working with women asylum seekers, aimed at providing opportunities to learn new skills, relieve stress and improve their wellbeing.

This project allowed these destitute women to form their own community and gave them the chance to make objects for their new lives here. All the women involved shared African heritage, and so the project made use of African materials.

Mixing traces of their past, with scrap materials (such as shirts), these women were able to combine their old and new lives to make new objects.

Associate artists Mia Nisbet led the sessions, using her experience of up-cycling gained through her work as an ethical fashion designer.

Many of them don't have much, but these objects have become precious belongings to all involved.

*"I am stressed, but when I come here, I forget everything – my mind is just focused on the project. The group feels like my family!"*

*"I think my bag is beautiful and I made it!"* participant, Boaz Trust project

### **Love Letters**

Arc has a history of producing socially engaged art projects, which explore the connections between people and place, and the impact a sense of place has on wellbeing. Arc's Love Letter project, first produced for the Macclesfield Barnaby Festival in 2016, invites people of all ages to write love letters to the *heart* of a place and is therefore transferable to towns across the country.

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**A Love Letter to Whitworth Park** In the spring and summer of 2017 we collaborated with the Whitworth Art Gallery on an arts project designed to engage older people in the community with art and nature. Led by Arc associate artist Wendy Hunter, groups of older people from Stockport, Moss Side and Rusholme explored the idea of 'A Love Letter to Whitworth Park', via visual and verbal techniques, enabling people from three diverse groups to connect with both Whitworth Park and the Art Gallery.

**A Love Letter to Glossop** In July 2017 we were commissioned by volunteer centre The Bureau in Glossop, in partnership with Glossop Arts Project to develop 'A Love Letter to Glossop', celebrating the difference that volunteers make in the town. 91 love letters were written and displayed on one day, leading to a communal piece for display at the Bureau.

*"Dear Glossop.....I love you for your people  
Friendly, helpful, open, non-judgemental,  
welcoming, compassionate – and just slightly different to everywhere else.  
I love that when someone needs help we shout out  
Everyone pitches in to find a solution.  
A true sense of community."*

In early 2018 we began a 2 year Love Letter commission for Gallery Oldham to engage with residents across the Borough to develop an original piece of community writing, to celebrate the launch of the new Heritage Centre in early 2020. Love Letter events at key public festivals, an installation in the Gallery foyer and a workshop programme reaching out to community partners will lead to the writing and presentation of a communal Love Letter to the town.

#### **Developing artists**

Arc benefits from a pool of associate artists who inspire, provoke, create and celebrate artwork across our whole model. 41 different artists were employed across our arts & wellbeing programmes in 2017/18. Their roles included delivering arts activities, researching and developing new project ideas, exhibiting and undertaking commissions. We see artists as partners, helping to generate ideas which connect our exhibitions to the wellbeing delivery and bring new audiences to our work. Building a team of like-minded artists who are advocates for Arc is a vital part in enhancing our position in the local and regional cultural landscape.

46 artists and craftspeople exhibited and sold work through the Arc Centre Gallery, helping us to develop a thriving social enterprise, and 23 professional artists delivered workshops as part of our public programme.

We engage with emerging as well as experienced artists and recognise the importance of supporting and nurturing local talent. This year our Continuing Professional Development programme for artists offered training in bid writing, social media and working with vulnerable groups, as well as several popular artists' networking events hosted at the Centre.

*"It was an opportunity to chat with other local artists and get a feel for the way different people work and their specialist areas. Arc gives you a lift as an artist/facilitator as it's a very positive and stimulating environment to be in"* Anne, artist and facilitator.

Four artists who have previously been participants, led projects on this year's Challenge programme.

#### **Future Plans**

A key theme for the coming year will be engagement. There is huge potential, as yet not fully explored, to join up our programmes through the sharing of our core values with volunteers, artists and supporters. A new role at Arc will develop more proactive connections across our work and build on this untapped potential. We will offer more people the opportunity to be part of what we do through volunteering and championing our cause.

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We will ensure that our work has a legacy – through film, touring displays and exhibitions, and artwork that remains in the public sphere. Through the use of film we will capture personal narratives and experiences as evidence of our impact and share this widely with funders, supporters and the wider world. We will also continue to improve our monitoring, in particular how we capture longer-term impacts for vulnerable participants.

As this will be the third and final year of our grant from the Esmee Fairbairn Foundation, we will ensure that we make the most of any opportunities to commission great artists and facilitators who truly extend the creative offer to vulnerable people. A major community engagement project as part of *Stockport Remembers* (commemorating 100 years since the end of World War 1) will be our largest commission to date and will enable us to work closely with SMBC's cultural development. This project, called *We Are Dreamers*, will see Arc engaging with communities across the Borough of all ages and backgrounds.

We will continue to undertake partnership projects as well as commissions which extend our reach far beyond what we could have imagined a few years ago. Our *Love Letter to Oldham* project will take us into communities across Greater Manchester, whilst our first regional touring installation, *The Other in Mother*, will see us feature in cultural and health establishments in Manchester, Leeds, Oldham and Crewe.

We will consolidate our public offer through a manageable programme of Arc Centre workshops, community-centred events and an inspirational programme of exhibitions. Alongside this we will build on successful pilots in 2017/18 of our Workplace Wellbeing workshops, extending this offer through targeted marketing and promotion.

We will continue to forge new areas of work through pilot projects, research and development. We are particularly interested this year to see how we can more directly address men's mental health issues and also link to the Ageing Well strategies in Stockport and Greater Manchester, working to improve the cultural and health offers to older people.

Our artists' networking events and CPD training programme will evolve in response to opportunities and relationships with organisations such as Arts Council England. Through this programme we will find ourselves at the forefront of new and fresh ideas, bring together an increasingly creative workforce and pitch Arc as a regional cultural hub.

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#### Financial review

##### **Reserves policy**

The reserves policy is to endeavour to keep unrestricted reserves to cover:- our contractual obligations to our employees, landlords, suppliers, clients and funders; legal requirements as specified by HMRC, Companies House and the Charity Commission. In addition three months worth of fixed running cost to allow time for the organisation to complete its contractual obligations and plan an orderly closure.

##### **Reserves amount calculated as of 30 August 2018**

- Employee redundancy & notice costs £ 52,074
  - Property & equipment lease commitments £36,423
  - Three months fixed running costs £7,800
  - Accountancy fees £2,000
- TOTAL £98,297

**Notes 19 & 20 of the accounts show, that unrestricted current assets less current liabilities, as of the 31 March 2018, to be £103,805 of which £25,533 has been designated to be spent in 1819.**

The reserves are used to cover cash flow fluctuations. They can also be used to cover short term gaps in funding; to progress with grant-funded projects which require a funding match, before the match has been secured; towards fundraising; for training and other expenses designed to improve the effectiveness of the organisation.

This policy is reviewed annually. The amount is calculated annually and when there are major changes, such as changes in the staffing levels and the taking on of additional leases.

##### **Investment policy**

The company holds no funds that can be invested for any long period of time. It aims to retain six weeks worth of expenditure in the current account and any assets above that to be held in interest earning accounts. The board annually reviews its investments to earn the best possible rate of secure interest.

##### **Principal funding sources**

For 2017/18 the principle income sources were:-

Big Lottery Reaching Communities (£82,604); NHS Stockport CCG (£59,590); Henry Smith Charity (£21,300); Esmee Fairbairn Foundation (£20,000); BBC Children in Need (£18,871); National Foundation for Youth Music (£17,055); Garfield Weston Foundation (£15,000); Arts Council England (£13,419); Equity Foundation (£11,130); Cabinet Office Local Sustainability Fund (£10,700); SMBC Children Services (£5,000); Social Work Student Placement Income (£4,334); Manchester Guardian Society Charitable Trust (£1,000); Co-op Local Community Fund (£1,304).

Principal sources of funding carried forward into 2017/18 were:-

SMBC ASC Capital (£30,991); SMBC ASC revenue (£16,350)

##### **How funding has supported key objectives**

**Organisation development** is crucial for sustainability. The newly refurbished and rebranded Arc Centre was launched in the prior year. This unique arts and Wellbeing space enables Arc to reach out to more people in the community through it's public programme, cafe and exhibitions; create new income streams and provide additional opportunities for vulnerable adults to volunteer, learn and train. The final year of the Cabinet Office Local Sustainability grant enabled the Arc Centre to develop further by proving funds to

- research, develop and implement a wide and varied public programme of events
- train participants and volunteers in supporting these events and producing Arc Ware for sale
- develop and implement a marketing strategy to provide an audience and clients

## Arts for Recovery in the Community

### Report of the Directors for the year ended 31 March 2018

- provide leadership and other training of staff and trustees
- enable additional project managers hours so as to release the Artistic Director to research and develop new opportunities for Arc

Key to our future development is the Esmee Fairbairn Foundation grant. This is the second of a three year grant which fully funds the 'Forge'; an integrated, multi-strand programme that enables vulnerable and isolated people to become active and engaged citizens through enterprising arts-based community projects. This is critical for the future of Arc, enabling it to engage with more vulnerable and isolated people throughout the country and the world.

The wealth of new opportunities that this funding has enabled can clearly be seen in the 2017/18 achievements and performance.

**Stability** has been provided by our long standing relationship with the local statutory services. Stockport's NHS Clinical Commissioning Group has been a key donor since Arc's inception. This along with SMBC ASC revenue funding made a significant contribution towards core staff and running costs. They have also been essential in providing the bedrock to support other funding bids and to give confidence to potential funding bodies that Arc is a viable concern and a "safe bet" for further investment.

The Garfield Weston Foundation one year grant came at a crucial time for the stability of Arc. Covering core costs with the primary aim of developing the Arc Centre, which is run with and for people experiencing mental illness, to provide new skills, connections and opportunities for 200 of the most vulnerable and marginalised people in Stockport.

**Delivery** of our services is supported by other donors whom Arc has had relationships with for many years. Together they have enabled Arc to create an amazing well-being programme and in this last year not only to have increased the number of participants and volunteers involved but to have reached new communities through new partnerships.

- The BIG Lottery Reaching Communities, five year grant ending in 31 May 2020, partly funds the "Arc Challenge Model 2020" enabling all its parts; challenge, community outreach and volunteering to work seamlessly together to support vulnerable people, It's contribution to key staff is vital to the organisation.
- The Henry Smith Charity completes the picture by covering the community outreach programme running costs including vital contributions towards marketing the programme. This is a three year grant ending in September 2018.
- BBC Children in Need and SMBC Children Services grants are the bedrock of our Young People's Arc programme. The CiN grant is for three years ending on the 31 March 2019. SMBC have been a long time supporter of our YPA programme and Arc works hard to maintain this relationship. This programme is all about partnerships and providing a tailored programme of short creative projects for targeted groups of disadvantaged and vulnerable children and young people.
- This is our first grant from the Youth Music Programme and is to enhance our Young People's Arc programme with an 18 month project called Musicspace. This will offer young people at risk of mental health problems in the Stockport area (including Cheshire East) participation in high quality music activities to improve wellbeing, confidence & resilience.
- Equity Foundation has provided a grant to deliver a 12 month programme of creative workshops, for Young People aged 14-25, in Stockport who are experiencing or at risk of mental health problems.
- The BIG Lottery Awards for All grant is for one year starting January 2017 and to support Stockport Mother's suffering from perinatal depression. This is an important part of our community outreach programme.
- Manchester Guardian Society Charitable Trust provided a grant to support a project for carers of people with mental ill-health.
- The Co-op Local Community Fund grant is money raised by the members and customers of our local co-op and will be used to run a one-off project with isolated older people.

**Arts for Recovery in the Community**  
**Report of the Directors for the year ended 31 March 2018**

**Flexibility** is another key element to ensure a bright future. This is provided by our reserves and unrestricted income which enable Arc to quickly take advantage of opportunities that arise and to research and develop new ideas and build new partnerships. Our key unrestricted income is from Social Work Student placements although commissions and other earned income is increasing. Our unrestricted reserves, excluding fixed assets, at the end of 2017/18 were £103,805 a very similar amount to the previous year's figure of £103,080.

***Principal funding sources for the future***

Principal income sources for 2018/19 which carry on from 2017/18 for the same purpose are:-

Big Lottery Reaching Communities (£80,199); NHS Stockport CCG (£59,590); Esmee Fairbairn Foundation (£20,000); BBC Children in Need (£19,317); SMBC Children Services (£5,000); National Foundation for Youth Music (£1,895); Arts Council England (£1,491).

New income sources for 18/19:-

National Lottery Awards for All (£9,815); Stockport Metropolitan Borough Council (£20,000); Oldham Metropolitan Borough Council (£8,832); Manchester Art Gallery (£1,000)

**Delivery** of our services takes a leap forward with ambitious and wide ranging creative projects that increase Arc's geographical footprint and raise our profile as an arts organisation capable of delivering quality projects and commissions by the following one-off grants:-

- Arts Council and Manchester Art Gallery combine to fund 'The Other in Mother', which will see our first regional touring installation feature in cultural and health establishments in Manchester, Leeds, Oldham and Crewe.
- Arc is delighted to have been awarded a grant from Awards For All for a year-long pilot programme, Pottery Pioneers, exploring the benefits of working with clay on the mental health of young people & adults. The project will allow us to evaluate the impact of working with three specific groups of beneficiaries and develop a sustainable model for future pottery delivery.
- Oldham MBC have commissioned Arc with Heritage Lottery Funds funding to run a two year community arts engagement programme, generating love letters to Oldham from it's residents, which will culminate in the production of a communal Love Letter to be displayed in the new Heritage Centre, due to open 2020.
- 'We Are Dreamers', funded by SMBC, will see Arc engaging with communities across the Borough of all ages and backgrounds. Our largest commission to date, it will form part of *Stockport Remembers* (commemorating 100 years since the end of World War 1).

The need for our **reserves** has arisen. We ended 2017/18 with £15,837 less unrestricted funds than we started with. In this highly competitive market for funding Arc has not been as successful as usual. The trustees made the decision to allocate £25,000 of general unrestricted funds to the 2018/19 budget to cover overheads so that the fundraising team could concentrate on funding bids for 2019/20 onwards. The 2018/19 budget also relies on earning over £17,000 of unrestricted income by means of social work student placements, commissions, sales & donations. For 19/20 our funding target is to raise over £50,000 from grants in order to continue with the same level of service delivery.

**Arts for Recovery in the Community**  
**Report of the Directors for the year ended 31 March 2018**

**Statement of Directors' responsibilities**

The Directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the income and expenditure of the charitable company for that period. In preparing these financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose at any time the financial position of the charitable company and to enable it 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors, who are directors for the purposes of company law, and trustees for the purposes of charity law, who served during the year and up to the date of this report are set out on page 1.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

Approved by the Directors and signed on its behalf by:

Julia McBryde (Chairperson)

.....

Date .....

**Independent Examiner's Report to the Trustees of  
Arts for Recovery in the Community**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2018.

**Responsibilities and basis of report**

As the charity's 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 charity'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 Institute of Chartered Accountants in England and Wales 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:

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.

Paul Cowham FCA DChA  
Green Fish Resource Centre  
46 – 50 Oldham Street  
Manchester  
M4 1LE

*Date*

Arts for Recovery in the Community  
Statement of Financial Activities  
(including Income and Expenditure account)  
for the year ended 31 March 2018

	Note	Unrestricted funds £	Restricted funds £	Total funds 2018 £	Total funds 2017 £
<b>Income</b>					
Donations and legacies	3	2,319	1,449	3,768	896
Charitable activities	4	59,590	217,636	277,226	264,653
Fees and other income	5	29,818	-	29,818	16,751
Investments	6	63	-	63	912
<b>Total income</b>		<b>91,790</b>	<b>219,085</b>	<b>310,875</b>	<b>283,212</b>
<b>Expenditure</b>					
Raising funds	7	12,726	-	12,726	10,159
Charitable activities	8	97,592	214,729	312,321	305,306
<b>Total expenditure</b>		<b>110,318</b>	<b>214,729</b>	<b>325,047</b>	<b>315,465</b>
<b>Net income/(expenditure) for the year</b>	10	<b>(18,528)</b>	<b>4,356</b>	<b>(14,172)</b>	<b>(32,253)</b>
Transfer between funds		2,691	(2,691)	-	-
<b>Net movement in funds for the year</b>		<b>(15,837)</b>	<b>1,665</b>	<b>(14,172)</b>	<b>(32,253)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		179,700	104,679	284,379	316,632
<b>Total funds carried forward</b>		<b>163,863</b>	<b>106,344</b>	<b>270,207</b>	<b>284,379</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Arts for Recovery in the Community  
Company number 05288784

Balance sheet as at 31 March 2018

	Note	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15		60,058		76,620
<b>Total fixed assets</b>			<b>60,058</b>		<b>76,620</b>
<b>Current assets</b>					
Debtors	16	2,366		2,415	
Cash at bank and in hand		227,875		214,170	
<b>Total current assets</b>		<b>230,241</b>		<b>216,585</b>	
<b>Liabilities</b>					
Creditors: amounts falling due in less than one year	17	(20,092)		(8,826)	
<b>Net current assets</b>			<b>210,149</b>		<b>207,759</b>
<b>Total assets less current liabilities</b>			<b>270,207</b>		<b>284,379</b>
<b>Net assets</b>			<b>270,207</b>		<b>284,379</b>
<b>Funds of the charity</b>					
Restricted income funds	18		106,344		104,679
Unrestricted income funds	19		163,863		179,700
<b>Total charity funds</b>			<b>270,207</b>		<b>284,379</b>

For the year in question, the company was entitled to exemption from an 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

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 20 to 32 form part of these accounts.

Approved by the trustees on ..... and signed on their behalf by:

Julia McBryde

Name

Signed

# Arts for Recovery in the Community

## Notes to the accounts for the year ended 31 March 2018

### **1 Accounting policies**

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

#### **a Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 section 1A.

Arts for Recovery in the Community meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

#### **b Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No such restatement was required.

#### **c Preparation of the accounts on a going concern basis**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

There are no key judgments which the trustees have made which have a significant effect on the accounts.

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

## Arts for Recovery in the Community

### Notes to the accounts for the year ended 31 March 2018 (continued)

#### **d Income**

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

#### **e Donated services and facilities**

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

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

#### **f Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

# Arts for Recovery in the Community

## Notes to the accounts for the year ended 31 March 2018 (continued)

### **g Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

### **h Expenditure and irrecoverable VAT**

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

### **i Operating leases**

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

### **j Tangible fixed assets**

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Motor vehicles:	4 years
Office fixtures and equipment	4 years
Improvements to premises:	10 years

### **k Debtors**

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

### **l Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### **m Creditors and provisions**

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

# Arts for Recovery in the Community

Notes to the accounts for the year ended 31 March 2018 (continued)

## n 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.

## o Pensions

Arc operates a work place pension scheme with NEST as well as making contributions to an employee's own scheme which is a Qualifying Workplace Pension Scheme (QWPS).

## 2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

## 3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2018 £	Total 2017 £
Donations	2,319	1,449	3,768	896
<b>Total</b>	<b>2,319</b>	<b>1,449</b>	<b>3,768</b>	<b>896</b>
<i>Total by fund 31 March 2017</i>	896	-	896	

## Arts for Recovery in the Community

Notes to the accounts for the year ended 31 March 2018 (continued)

### 4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2018 £	Total 2017 £
Grants				
Arts Council England	-	13,419	13,419	99
Big Lottery - Awards for All	-	-	-	9,450
BBC Children in Need	-	18,871	18,871	18,438
Big Lottery Fund - Reaching Communities	-	82,604	82,604	82,026
Coop Local Community Fund	-	1,304	1,304	-
Equity Foundation	-	11,130	11,130	-
Esmee Fairbairn Foundation	-	20,000	20,000	20,000
Garfield Weston	-	15,000	15,000	-
Henry Smith Charity	-	21,300	21,300	21,300
Local Sustainability Fund	-	10,700	10,700	47,750
Manchester Guardian	-	-	-	1,000
NHS Stockport CCG	59,590	-	59,590	59,590
SMBC in kind rent	-	453	453	-
SMBC Ward Flexibility	-	800	800	-
SMBC Children's services	-	5,000	5,000	5,000
Youth Music	-	17,055	17,055	-
<b>Total</b>	<b>59,590</b>	<b>217,636</b>	<b>277,226</b>	<b>264,653</b>
<i>Total by fund 31 March 2017</i>	<i>59,590</i>	<i>205,063</i>	<i>264,653</i>	

### 5 Fees and other income

	Unrestricted £	Restricted £	2018 £	2017 £
Student placements	4,334	-	4,334	7,720
Public programme (Sales & events)	11,744	-	11,744	6,558
Commissions & fees	13,532	-	13,532	1,165
Other income	208	-	208	1,308
	<b>29,818</b>	<b>-</b>	<b>29,818</b>	<b>16,751</b>

All income from fees and trading is unrestricted.

### 6 Investment income

	Unrestricted £	Restricted £	2018 £	2017 £
Income from bank deposits	63	-	63	912
	<b>63</b>	<b>-</b>	<b>63</b>	<b>912</b>

All of the charity's investment income arises from money held in interest bearing deposit accounts. All investment income is unrestricted.

## Arts for Recovery in the Community

Notes to the accounts for the year ended 31 March 2018 (continued)

### 7 Analysis of expenditure on raising funds

	Total 2018 £	Total 2017 £
Fundraising costs	12,726	10,159
	<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

### 8 Analysis of expenditure on charitable activities

	Total 2018 £	Total 2017 £
Staff costs	97,892	83,011
Depreciation	19,253	20,407
Premises costs	28,011	20,997
General running costs	24,145	53,584
Programme costs	141,070	117,657
Research and development	650	8,350
Other governance costs		
Independent examination	1,300	1,300
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	312,321	305,306
	<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>
	2018 £	2017 £
Restricted expenditure	214,729	220,529
Unrestricted expenditure	97,592	84,777
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	312,321	305,306
	<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

## Arts for Recovery in the Community

Notes to the accounts for the year ended 31 March 2018 (continued)

### 10 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2018 £	2017 £
Depreciation	19,253	20,407
Independent examiner's remuneration		
- accountancy	500	500
- independent examination	800	800
	<u>          </u>	<u>          </u>

### 11 Staff costs

Staff costs during the year were as follows:

	2018 £	2017 £
Wages and salaries	74,879	74,534
Social security costs	3,959	3,928
Employers pension contributions	1,200	1,200
Staff expenses and training	2,467	3,349
Additional National Insurance owed	15,387	-
	<u>          </u>	<u>          </u>
	<u>97,892</u>	<u>83,011</u>

No employee has employee benefits in excess of £60,000 (2017: Nil).

The average number of staff employed during the period was 3 (2017: 3).

The average full time equivalent number of staff employed during the period was 2.3 (2017: 2.3).

The key management personnel of the charity comprise the trustees, the Chief Executive Officer, the Artistic Director and the Finance Administrator. The total employee benefits of the key management personnel of the charity were £74,879 (2017: £74,534).

### 12 Trustee remuneration and expenses, and related party transactions

Neither the trustees nor any persons connected with them received any remuneration during the year (2017: Nil), in addition no travel expenses were claimed in the year (2017: £nil).

Aggregate donations from related parties were £nil (2017: £nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2017: nil).

## Arts for Recovery in the Community

Notes to the accounts for the year ended 31 March 2018 (continued)

### 13 Government grants

The government grants recognised in the accounts were as follows:

	2018 £	2017 £
NHS Stockport	59,590	59,590
Stockport Metropolitan Borough Council	6,253	5,000
	65,843	64,590
	65,843	64,590

There were no unfulfilled conditions and contingencies attaching to the grants.

### 14 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

### 15 Fixed assets: tangible assets

	Motor Vehicles £	Improvements to premises £	Office equipment & furniture £	Total £
<b>Cost</b>				
At 1 April 2017	16,854	78,127	47,747	142,728
Additions	-	1,812	879	2,691
Disposals	-	-	-	-
	16,854	79,939	48,626	145,419
	16,854	79,939	48,626	145,419
<b>Depreciation</b>				
At 1 April 2017	4,213	38,722	23,173	66,108
Charge for the year	4,214	6,439	8,600	19,253
Disposals	-	-	-	-
	8,427	45,161	31,773	85,361
	8,427	45,161	31,773	85,361
<b>Net book value</b>				
At 31 March 2018	8,427	34,778	16,853	60,058
	8,427	34,778	16,853	60,058
<i>At 31 March 2017</i>	<i>12,641</i>	<i>39,405</i>	<i>24,574</i>	<i>76,620</i>
	<i>12,641</i>	<i>39,405</i>	<i>24,574</i>	<i>76,620</i>

## Arts for Recovery in the Community

Notes to the accounts for the year ended 31 March 2018 (continued)

### 16 Debtors

	2018 £	2017 £
Accrued income	1,211	1,260
Prepayments & other debtors	1,155	1,155
	<hr/>	<hr/>
	2,366	2,415
	<hr/> <hr/>	<hr/> <hr/>

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

	2018 £	2017 £
Trade creditors	17,218	6,811
Other creditors and accruals	2,874	2,015
	<hr/>	<hr/>
	20,092	8,826
	<hr/> <hr/>	<hr/> <hr/>

## Arts for Recovery in the Community

Notes to the accounts for the year ended 31 March 2018 (continued)

### 18 Analysis of movements in restricted funds

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2018 £
Arts Council England - motherhood	-	13,419	(5,043)	-	8,376
BBC Children in Need	-	18,871	(18,871)	-	-
Big Lottery – Awards for All	8,529	-	(8,529)	-	-
Big Lottery - Reaching Communities	15,563	82,604	(72,572)	-	25,595
Coop Local Community Fund	-	1,304	(1,304)	-	-
Equity Foundation	-	11,130	(1,000)	-	10,130
Esmee Fairbairn Foundation	909	20,000	(20,328)	-	581
Garfield Weston	-	15,000	(15,000)	-	-
Hart Donation	-	1,449	(30)	-	1,419
Henry Smith Charity	13,968	21,300	(23,320)	-	11,948
Local Sustainability Fund (LSF)	7,548	10,700	(18,248)	-	-
Manchester Guardian	1,000	-	(1,000)	-	-
SMBC Adult Social Care	16,350	-	(10,674)	-	5,676
SMBC ASC Capital	30,991	-	-	(1,812)	29,179
SMBC Capital	9,180	-	(1,505)	(879)	6,796
SMBC Children's services	641	5,000	(5,639)	-	2
SMBC in kind rent	-	453	(453)	-	-
SMBC - Ward Flexibility	-	800	(223)	-	577
Youth Music	-	17,055	(10,990)	-	6,065
	<u>104,679</u>	<u>219,085</u>	<u>(214,729)</u>	<u>(2,691)</u>	<u>106,344</u>

## Arts for Recovery in the Community

Notes to the accounts for the year ended 31 March 2018 (continued)

### 18 Analysis of movements in restricted funds (continued)

Previous reporting period	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2017 £
Arts Council England	-	99	(99)	-	-
BBC Children in Need	-	18,438	(18,438)	-	-
Big Lottery – Awards for All		9,450	(921)		8,529
Big Lottery - Building Capabilities	4,729	-	(4,729)	-	-
Big Lottery - Reaching Communities	15,812	82,026	(82,275)	-	15,563
Esmee Fairbairn Foundation	-	20,000	(19,091)	-	909
Henry Smith Charity	15,896	21,300	(23,228)	-	13,968
Local Sustainability Fund (LSF)		47,750	(40,202)	-	7,548
Manchester Guardian	-	1,000	-	-	1,000
SMBC Adult Social Care	31,849	-	(15,499)	-	16,350
SMBC ASC Capital	123,141	-	(11,307)	(80,843)	30,991
SMBC Capital	9,561	-	(381)	-	9,180
SMBC Children's services	-	5,000	(4,359)	-	641
	<u>200,988</u>	<u>205,063</u>	<u>(220,529)</u>	<u>(80,843)</u>	<u>104,679</u>

Name of	Description, nature and purposes of the fund
Arts Council England (2017 grant)	Grant to enable the socially-engaged arts project, Unpicked:Restitched, resulting in a series of large scale textile banners and a publication celebrating the project which explored the question 'Where is the Heart of Stockport'. The Project was completed early in 16/17.
Arts Council England	For a large touring installation and engagement project on the theme of motherhood
BBC Children in Need	A three year grant (April 16 to March 19) to fund a tailored programme of short creative projects for targeted groups of disadvantaged children and young people.
Big Lottery – Awards for All	A grant to fund our Creative Mums' project designed to support Stockport Mothers experiencing perinatal depression.
Big Lottery – Building Capabilities	A grant to help the people of Arc increase their skills, knowledge and confidence, so as to deliver more effective and sustainable services to beneficiaries.
Big Lottery – Reaching Communities	Grant to partly fund the Arc Challenge Model 2020 which covers the Challenge, Community Outreach & Volunteer Project Management posts, contributes 50% of the CEO salary, contributes to consultancy and other programme related costs and overheads.
Coop Local Community Fund	A grant for older people projects.

## Arts for Recovery in the Community

Notes to the accounts for the year ended 31 March 2018 (continued)

### 18 Analysis of movements in restricted funds (continued)

Donations (Hart group)	A donation of £1,449 towards our Creative Mums' project designed to support Stockport Mothers experiencing perinatal depression.
Equity Foundation	Health & wellbeing grants for our Young Peoples ArtSpace programme. £1,000 grant for a pilot in 2018 & £10,130 for a full programme in 2019.
Equity Foundation (2017 grant)	Grant to cover the challenge Programme project management prior to the Big Lottery Reaching Communities.
Esmee Fairbairn Foundation	Three year grant (April 16 to March 19) towards development of ArcProductions, The 'Forge', an integrated, multi-strand programme that enables vulnerable and isolated people to become active and engaged citizens through enterprising arts-based community projects.
Garfield Weston	Contribution to the Arc Centre core costs.
Henry Smith Charity	Running costs of the project providing a community outreach programme.
Local Sustainability Fund (LSF)	To improve Arc sustainability through enterprise & marketing development and staff capacity through leadership training.
Manchester Guardian	Support for the carers of people with mental ill-health.
SMBC Adult Social Care	Transition funding, to be spent from April 2015 onwards, to support Arc's future development, including the development of an Arts centre venue.
SMBC Adult Social Care – Capital	Expanding and refurbishment of our Reddish studios into an Arts Centre accessible to all, development of a town centre venue and other capital expenditure to enable the growth and expansion of Arc's service to the community.
SMBC ASC Capital	Expanding and refurbishment of our Reddish studios into an Arts Centre accessible to all, development of a town centre venue and other capital expenditure to enable the growth and expansion of Arc's service to the community.
SMBC Capital	General capital purchases
SMBC Children Services	A grant to support Young People's Arc
SMBC Rent Grant	A grant to pay rent for the use of Offerton Community Centre by the Community Outreach project.
SMBC Ward Youth Music	One off grant for the development of the Saturday Art Clubs Grant for a Young People's Arc programme called MusicSpace

### 19 Analysis of movement in unrestricted funds

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	As at 31 March 2018 £
General fund	177,849	91,790	(108,467)	(22,842)	138,330
Creative mums (designated fund)	-	-	-	533	533
The Luke Holland Fund (designated)	1,851	-	(1,851)	-	-
Overhead costs in 18/19	-			25,000	25,000
	<u>179,700</u>	<u>91,790</u>	<u>(110,318)</u>	<u>2,691</u>	<u>163,863</u>

## Arts for Recovery in the Community

Notes to the accounts for the year ended 31 March 2018 (continued)

### 19 Analysis of movement in unrestricted funds (continued)

Previous reporting period	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers £	As at 31 March 2017 £
General fund	110,644	76,298	(94,936)	85,843	177,849
Research and development (designated fund)	5,000	-	-	(5,000)	-
The Luke Holland Fund	-	1,851	-	-	1,851
	<u>115,644</u>	<u>78,149</u>	<u>(94,936)</u>	<u>80,843</u>	<u>179,700</u>

Name of	Description, nature and purposes of the fund
Creative mums	To support Stockport Mothers experiencing perinatal depression.
Overhead costs in 18/19	To cover a funding shortfall in 2018/19 allowing Arc to concentrate on funding bids for 2019/20 onwards.
Research and development	These funds are for future investment to develop new areas of work
The Luke Holland Fund	For Arc partnership projects with Roshni in India.

### 20 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	60,058	-	-	60,058
Net current assets/(liabilities)	103,272	533	106,344	210,149
	<u>163,330</u>	<u>533</u>	<u>106,344</u>	<u>270,207</u>

### 21 Lease commitments

The charity had the following annual commitments under non-cancellable operating leases:

	Land and buildings		Equipment	
	2018 £	2017 £	2018 £	2017 £
Leases expiring in:				
One year	4,038	1,449	-	-
Two to five years	-	-	1,236	1,236
	<u>4,038</u>	<u>1,449</u>	<u>1,236</u>	<u>1,236</u>