atek

Beyond the grant:

Building Financial Resilience in Performing Arts Organisation

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For most performing arts organisations, the challenge isn't just creating great work, it's sustaining it.

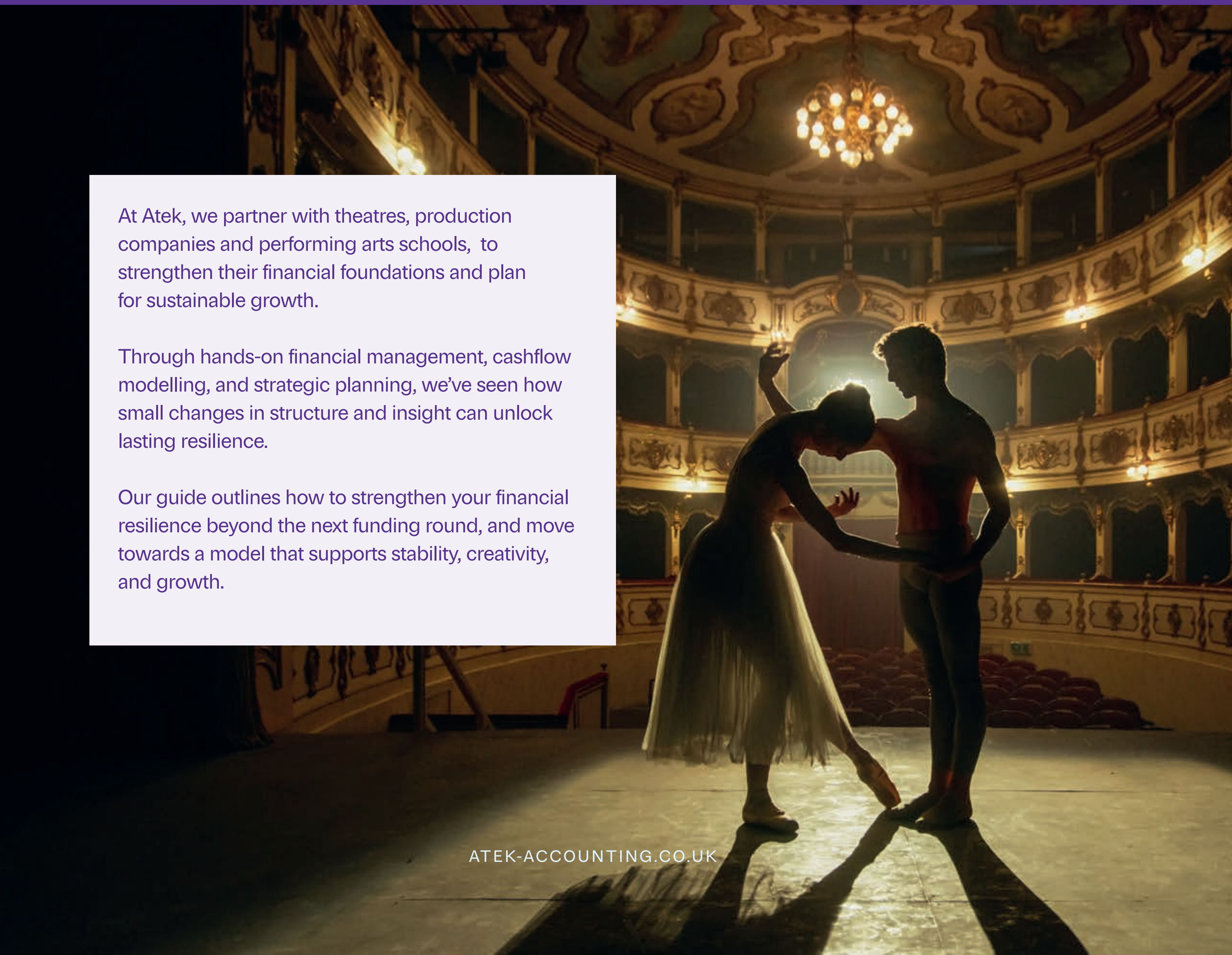
Organisations that once relied on grants and public funding are realising that financial sustainability requires more than just successful funding bids: it requires a financial model that protects them over time.

Funding cycles, grants, and seasonal income often dictate what's possible, leaving little room for strategic planning.

Reports from Arts Council England confirm that financial stability remains the sector's biggest ongoing challenge.

Funding cuts, pandemic recovery, rising costs, and shifting audience behaviours have added new pressures to already tight margins.

The question is no longer simply how to raise more money; it's how to make that money work harder and last longer.



At Atek, we partner with theatres, production companies and performing arts schools, to strengthen their financial foundations and plan for sustainable growth.

Through hands-on financial management, cashflow modelling, and strategic planning, we've seen how small changes in structure and insight can unlock lasting resilience.

Our guide outlines how to strengthen your financial resilience beyond the next funding round, and move towards a model that supports stability, creativity, and growth.

The Funding Trap

Grants and donations play a vital role in the arts, but over-reliance on them can create fragility. When one funding source dries up, productions stall, staff face uncertainty, and future planning becomes impossible.

The most resilient organisations view external funding as accelerative capital, a way to enhance stability, not define it. Grants are best used to invest in projects or operations that continue to deliver value once the funding round ends.

- **What percentage of your annual income relies on external funding?**
- **What would happen if one major source disappeared?**
- **Do you know your "funding-to-operations ratio"?**
  (i.e. the share of your costs that must be covered by grants)

From Instability To Insight

Financial resilience starts with understanding your numbers and how cash moves through your organisation. Tracking a few key metrics each month can transform decision-making and provide the confidence to plan proactively.

Financial visibility isn't just about avoiding the big crises; it's about enabling creativity. Even a simple visual cashflow forecast helps spot pressure points before they hit, allowing for proactive planning rather than reaction.

Cash Runway

How many months can you operate if income stopped today?

- Under 3 months = reactive
- 3–6 months = stable
- 6+ months = resilient

Income Mix

What portion of your income is recurring vs one-off? The more predictable your base, the easier it is to plan creatively.

Program Profitability

Which productions, classes, or events actually generate surplus cash? Sometimes the most "popular" programmes quietly drain resources.

Building A Smarter Financial Model

Understanding financial leverage and identifying which activities generate long-term value is key to building resilience. The most successful arts organisations treat financial planning as part of the artistic strategy, using budgets to allocate resources where they have the greatest artistic and community return.

Diversify Your Revenue

A strong financial model balances three types of income:

Core Income

Predictable, recurring streams (Regular classes, subscriptions, online memberships, digital workshops)

Project Income

Productions, showcases, or workshops.

Opportunistic Income

One-off grants, partnerships, sponsorships, or touring opportunities that inject new funding.

The goal is balance. Core and project income should cover essential operating costs, while opportunistic income fuels growth and innovation.

Treat every grant as a catalyst; Invest funding into areas that generate future value, for example marketing costs, digital infrastructure, or training and development workshops.

By using grants strategically, they become tools to expand and diversify future income, rather than serving as temporary fixes.

Practical Tips To Strengthen Financial Resilience

1

Build a 12-Month Cash Forecast

Forecasting isn't about predicting the future perfectly, it's about seeing it giving yourself full financial visibility and the time to react to unpredicted changes. A 12-month cash forecast maps out expected income (ticket sales, tuitions or grants) against outgoing costs (staffing, venue hire, production costs) helping to identify gaps before they create a crisis.

2

Match Projects to Funding

Not every opportunity will create long-term financial sustainability. Prioritising projects that strengthen income streams or build recurring engagement. If funding projects that can't sustain themselves long-term or drain core resources, it may not be worth pursuing.

3

Build a Reserve Fund

Even a small surplus each month can accumulate over time. Aim for a reserve that covers at least two months of operating costs. This is not just about creating a financial safety net but having the financial confidence to take calculated risks and invest in creativity without jeopardising future stability..

4

Seek Expert Advice

Outsourced finance support can help turn raw data into actionable insights. Expert financial advisors can help forecast pressure points, support resource allocation, and strengthen funding applications with clear financial evidence.

About atek

Atek gives creative, digital and other small businesses the financial confidence and direction they need to grow. With roots in both performing arts, creative and digital technology, the team brings lived insight together with modern, digital-first accounting, making finance easier to navigate and better aligned to how modern businesses actually operate.

Atek understands how creators, innovators and founders think. We know the pressures of production schedules, funding cycles and fast-moving digital environments, and we tailor our guidance to match. Acting as an extension of the client team rather than an outsourced service, we combine responsiveness, practical experience and straight-talking support to help businesses make stronger decisions.

Atek helps businesses move forward with confidence and control.

Clarity for creators and innovators.