THE CREATIVE ART HOUSE

England & Wales · Charity number 1063671

Details

Other names	THE ART HOUSE
Status	Registered
Legal form	Charitable company
Company number	03345162
Registered	1997-07-30
Register	View on the Charity Commission register

Contact

Address	Drury Lane Wakefield WF1 2TE
Phone	01924312000
Email	info@the-arthouse.org.uk
Website	www.the-arthouse.org.uk

Activities

Objects: 1.TO ADVANCE THE EDUCATION OF THE PUBLIC IN ARTS AND CULTURE BY PROVIDING EXPERIENCES OF ART AND ARTISTS THROUGH EXHIBITIONS, RESIDENCIES, COMMISSIONS, WORKSHOPS AND EVENTS." 2. THE RELIEF OF THOSE IN NEED BY REASON OF YOUTH, AGE, ILL-HEALTH, DISABILITY, FINANCIAL HARDSHIP OR OTHER DISADVANTAGE IN PARTICULAR THROUGH VISUAL ARTS AND CRAFTS."

Activities: The Art House exists to ensure that artists with and without disabilities have equal access to facilities and opportunities in the visual arts and crafts.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Disability, Arts/culture/heritage/science
- **Who:** People With Disabilities, Other Defined Groups

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Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£853,835	£1,003,521	£2,904,912	26
2024-03-31	£798,013	£989,278	£3,054,598	24
2023-03-31	£817,841	£1,140,152	£3,274,075	28
2022-03-31	£1,024,945	£1,154,440	£3,596,386	22
2021-03-31	£1,041,691	£967,781	£3,725,881	16

Trustees

Name	Role	Appointed
Dr Adrian Brooks	Chair	2023-03-10
Dr Andrew Jonathan Langley		2024-05-14
Emma Adair		2023-02-24
John Curran		2023-03-10
Sally Roads		2024-10-11

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THE CREATIVE ART HOUSE

England & Wales - Charity number 1063671

Accounts

BoldSign Document ID: 06ac5103-df69-485f-afe2-091f01165471

Registered number: 03345162
Charity number: 1063671

THE CREATIVE ART HOUSE
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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THE CREATIVE ART HOUSE
(a Company limited by guarantee)

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THE CREATIVE ART HOUSE
(a Company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2025

Trustees	E Adair, Co-Chair A Balchin (appointed 14 May 2024 and resigned 20 February 2025) A Brooks, Chair J Curran A Langley (appointed 14 May 2024) J Peel (appointed 17 April 2024) P Pickersgill (appointed 14 May 2024) S Roads (appointed 11 October 2024) A Asres (resigned 14 May 2024)
Chief Executive	S Thornbury (resigned 26 November 2024)
Co-Executive Directors	L Juniper (appointed 26 November 2024) D Jackson-Waldock (appointed 26 November 2024)
Company registered number	03345162
Charity registered number	1063671
Registered office	The Art House Drury Lane Wakefield WF1 2TE
Independent auditors	Sumer Auditco Ltd Chartered Accountants & Statutory Auditors 14th Floor, 33 Cavendish Square London W1G 0PW
Bankers	Unity Trust Bank plc 4 Brindley Place Birmingham B1 2HB
Solicitors	Hempsons The Exchange Station Parade Harrogate HG1 1 DY

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THE CREATIVE ART HOUSE
(a Company limited by guarantee)

TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2025

We, the Trustees, are proud to present our annual report alongside the audited financial statements for the year from 1 April 2024 to 31 March 2025. These statements have been prepared to fulfil the requirements for a directors' report and accounts as stipulated by the Companies Act. In crafting this report and the accompanying financial statements, we have followed the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities." This report reflects the commitment, innovation, and passion that drive The Art House's work and contributions to the community.

The financial statements comply with the accounting policies detailed in the notes to the accounts, aligning with the charity's governing document, the Charities Act 2011, and the applicable accounting and reporting standards published in October 2019. These standards ensure transparency, accountability, and the highest degree of financial integrity.

As The Art House qualifies as a small entity under section 382 of the Companies Act 2006, the strategic report requirement mandated for medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has not been included.

Objectives and Activities

a. Policies and Objectives

At The Art House, our mission is to create an inclusive and accessible environment where everyone has the space, tools and support to express themselves through art, to grow and learn together.

The Art House is a people-first organisation that provides space, support and opportunities for artists and communities. We champion inclusivity, accessibility and bold, socially engaged practices across all of our projects.

We support artists to develop their practice, reach new audiences, and build meaningful networks by:

- Providing accessible creative workspaces that nurture creativity and inclusivity.
- Offering artist residencies, exhibitions, professional development opportunities, and tailored guidance.
- Promoting equality and diversity across the visual arts to champion opportunities for all artists.

The Art House centres those who have historically been excluded from the arts, including disabled people, people seeking sanctuary, and those from marginalised backgrounds, and we evolve continually in response to changing social needs. The Art House is a place where people can feel safe, celebrated, and inspired, to learn something new, to share their culture and to explore their own creativity.

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b. Activities to Achieve Objectives

The Art House offers residencies, exhibitions, professional development and studio spaces alongside welcoming public programmes and communal making facilities.

The Art House provides 45 artist studios, three fully equipped maker spaces (including print, ceramics, and darkroom facilities), versatile gallery and event spaces, meeting rooms, accessible residency accommodation, a coffee house, a shop, and an outdoor terrace.

Our artistic programme fosters creative growth and public engagement through:

- Artist residencies
- A year-round programme of exhibitions
- Mentoring, peer support, and artist-led practice-sharing
- A dynamic calendar of workshops, and events connecting artists and audiences

Our social engagement programmes demonstrate our wider community impact through:

- The Studio of Sanctuary, providing invaluable support for asylum-seeking and refugee artists.
- Arts and Health initiatives that promote well-being through creativity.
- Public workshops and community festivals that encourage active participation in the arts.
- The Well Placed programme, providing free interim-use spaces for local artists and community organisations.
- Various educational projects for children and young people, including our partnership with Lawefield Primary School.

In all of our activities, the Trustees have carefully considered the Charity Commission's public benefit guidance to ensure that The Art House continues to deliver the highest standards of artistic, social, and community value.

Achievements and Performance

a. Key Performance Indicators

The key financial performance indicators we monitor include:

- **Earned Income**: Derived from studio leases, meeting and event rentals, sales from the coffee house and shop, and revenue from public and private workshops.
- **Charitable Income**: Primarily secured through Arts Council England (NPO funding) and supplemented by grants from statutory bodies, trusts, foundations, and individual donors.

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b. Review of Activities

Artistic Programme

In 2024/25, The Art House presented a dynamic season of exhibitions and projects, marking our 30th anniversary and aligning with Wakefield's "Our Year" campaign. Our aim was to continue supporting emerging and mid-career artists, to provide first UK solo presentations, to engage with under-represented voices, and to draw on the city of Wakefield and its heritage as inspiration. Over the year we supported a wide range of artists through solo and group exhibitions, residencies, and bursary opportunities. Engaging the Wakefield community through programming that draws from local heritage, global connections and inclusive practice.

A major focus was on two very special photographic projects by internationally renowned artist Sunil Gupta (his first Yorkshire exhibition) and artist Charan Singh, whose first UK solo exhibition "Minor Figures: An Historical Exploration" was premiered.

Another highlight in our galleries celebrated the first solo exhibition by artist Saroj Patel, whose practice explores her contrasting, and sometimes conflicting identities as a British Indian woman. In Winter, we hosted a very special immersive project by artist Zarah Hussain: *'Paradise Carpet'*, which invited visitors to step onto a moving 'carpet' of light and participate via colour, sound and community workshops, blending tradition, technology and cross-cultural connection.

Projects supporting local talent and Studio Holders included Kirstie Williams' 'Mills in Colour' which explored Wakefield's textile-mill heritage as its subject and Stephen Gouldin's 'Last Breaths', exploring landscape reclamation in former coal-mining areas and launching a book alongside new works.

We also hosted the first major exhibitions by Wakefield-based artists: Bijan Amini-Alavijeh, presenting some of the artist's most ambitious sculptures to date, delivering a meditative space of light, shadow and slow viewing, and the exhibition *'INTERNAL'* by Andy Singleton which offered a timely reflection on our inner networks and human body-systems, with intricate paper sculptures suspended in the gallery space, inviting contemplative engagement with our internal environment.

Accessibility and inclusion remained key: The gallery maintained its commitment to providing platforms for disabled or marginalised artists, including the Disabled Photographers' Society exhibition, and an ambitious sensory-installation commission by the collective Babeworld, whose members are disabled and neurodivergent artists, explored how neurodivergent people experience creative spaces as artists, participants and audiences. 'Nature: Sensory' featured work by disabled artists and those living with long-term health conditions, challenging conventional landscape perceptions.

This year we also continued our partnership with The Royal Society of Sculptors, presenting the 'Gilbert Bayes Award' exhibition. In total, across the period we held 14 on-site exhibitions, with a visitor engagement of approximately 25,000 visitors.

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On-site Exhibitions include:

- Bijan Amini-Alavijeh: A Glimmer
- Andy Singleton: INTERNAL
- Saroj Patel: Interwoven
- Kirstie Williams: Mills in Colour
- Stephen Gouldin: Last Breaths
- Sunil Gupta: Lovers: Ten Years On
- Sunil Gupta and Charan Singh: Lovers, Revisited
- Charan Singh: The Promise of Beauty
- Babeworld: No Sleep Just Clouds
- The Royal Society of Sculptors:Gilbert Bayes Award 2024
- Nature: Sensory
- Seaglass Collective: Our Turn
- Zarah Hussain: Paradise Carpet
- Makers Wonderland: Seanna Doonan, Hannah Way, Dave Royston, Amelia Frances Wood, Sophie Amelia

We were proud to support 45 artists this year through our exhibition programme, residencies, and SoS bursary residencies.

Throughout the year, we hosted 10 residencies (seven standard and three bursary/SoS) providing time, space, and support for 12 artists to develop their work. These included:

- Two Destination Language & Nadia Sokolenko
- Christopher Samuel
- Emma Bentley Fox
- Lily Lavorato
- Ronald Muchatuta
- Lilah Benetti
- Jakob Rowlinson
- Plus three bursary/SoS residency artists

Well Placed Programme

In 2024/25, The Art House expanded its Well Placed programme to further support artists and communities across West Yorkshire. Building on previous successes, we took on six new spaces in Dewsbury to provide creative opportunities and community engagement for artists and residents in Kirklees. In Wakefield, we reintroduced creative spaces at The Ridings Shopping Centre, revitalising our presence in the city centre and continuing to champion accessible, artist-led activity within the local community. Meanwhile, Salford Loading at MediaCity continued to thrive, sustaining 12 artist-managed spaces and strengthening connections within the regional creative sector. Looking ahead, we remain committed to growing this model across the North, with a goal to establish 10 additional spaces over the next three years, further extending the programme's social and artistic impact.

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Maker Spaces

In 2024/25, our Print, Ceramic, and Darkroom facilities continued to play a vital role in supporting both our artistic community and The Art House's financial sustainability. These maker spaces, managed by skilled local artists, remained hubs of creativity, hosting workshops, courses, and open-access sessions that foster artistic development and skill sharing. Visiting artists and members benefited from hands-on guidance and mentorship, while our expanded programme of community workshops continued to integrate art into everyday life, strengthening connections across Wakefield and the wider region. Increasing demand for these facilities reflects their growing reputation as accessible, high-quality resources for both professional and community use.

Shop and Coffee House

Our shop and coffee house continue to be vibrant hubs for community engagement and cultural exchange. Showcasing work by local makers, the shop not only provides a platform for creative businesses to thrive but also generates vital income that supports The Art House's charitable activities. The coffee house has strengthened its role as a welcoming space for visitors, fostering informal networking, collaboration, and a sense of community at the heart of our organisation.

Key Priorities for 2025/26

In 2024/25, TAH welcomed approx. 25,000 visitors, a 5% increase from the previous year, demonstrating sustained audience growth. Our aim for 2025/26 is to match this percentage increase and reach a minimum of 26,000 visitors.

This year we have increased our income via the Coffee House and Shop, we are aiming to build on this progress and extend our opening hours to Mondays. This investment with not only drive sales and improve the financial viability of the coffee house and shop, but will also increase engagement in exhibitions and events.

Another key area for development is Well Placed programme, we plan to expand and invest in the project, building partnerships in new areas and building our growing network of artists nationally. Our aim for 2025/26 is to expand to 2 new areas and provide an additional 10 spaces to artists.

Going Concern

The past year has been one of both challenge and progress, as The Art House continues to strengthen its financial foundations and plan confidently for the future. The Trustees are confident in The Art House's strong position, supported by clear strategic plans for fundraising, income generation and activity that run through to 2027. This plan sets out our priorities, milestones, and the steps we'll take to manage risks and remain resilient. Our financial planning is based on realistic assumptions and careful forecasting, helping us make informed decisions. Current projections show a stable and positive outlook, supported by responsible management and our continued commitment to building a diverse range of income streams.

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We're grateful for the ongoing support of Arts Council England, as well as other funders, partners, and individual supporters. Their contributions have played a vital role in helping us deliver our artistic and community programmes. The Trustees remain focused on developing new partnerships and exploring funding opportunities that align with our values and ambitions for inclusive creative growth. We regularly review our financial performance, fundraising activity, and spending to make sure we are using resources wisely and protecting the charity's long-term future.

Our risk management approach also plays an important part in keeping the organisation secure. We regularly assess operational and financial risks to ensure that strong controls are in place and that we can respond quickly to any challenges. We also work closely with external finance professionals to review and test our plans, giving us additional reassurance and oversight.

With these strong foundations and proactive measures in place, the Trustees are confident that The Art House remains on a sound footing. It is therefore appropriate to prepare the financial statements on a going concern basis. This approach reflects our commitment to sustaining and growing The Art House, so that we can continue to support artists and our community with creativity, care, and confidence.

Structure, Governance, and Management

a. Constitution The Creative Art House is a charitable company limited by guarantee, founded in April 1997 and governed by its Articles of Association (Charity no. 1063671).

b. Trustee Appointment Trustees are appointed for three-year terms through a structured interview process, ensuring alignment with the charity's strategic goals and values. This method maintains a balanced board with the necessary expertise.

c. Decision-Making Structure The Board of Trustees sets and reviews the charity's strategic direction and policies, delegating the day-to-day management to senior staff. Regular meetings ensure that the board remains actively involved in oversight. Currently, the board meets quarterly and maintains strong governance.

d. Induction and Training New Trustees are invited to observe board meetings before formal induction. They receive comprehensive information packs detailing the charity's policies, procedures, and strategic objectives. Ongoing training opportunities are provided to ensure Trustees are well-equipped to fulfil their roles effectively.

e. Senior Staff Pay Policy The Board oversees and approves policies related to remuneration, benchmarking salaries against local market data and using external consultants as needed. This ensures we attract and retain highly skilled individuals who share our commitment to the charity's mission.

f. Risk Management The Trustees and executive team actively manage financial and operational risks through a robust risk register and ongoing review processes.

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Key risks include funding continuity, staff turnover and knowledge dependency and building maintenance, managed through strategic action plans and live risk register. We are very pleased to have secured re-entry into the Arts Council's National Portfolio, providing stability through 2027. Maintenance/ building related risks costs are monitored through a prioritisation plan.

An updated reserves policy has been introduced this year, establishing a framework for rebuilding the charity's reserves cumulatively over the next six years to ensure the organisation's resilience and sustainability.

Funding

The Art House employs a robust, mixed-economy funding model to support its operations, encompassing Earned Income, Charitable Income, and Statutory Income. This diversified approach is designed to ensure sustainability and foster growth.

Earned Income

Earned Income is generated through two primary channels:

1. **Mission-Related Trading**: This includes revenue from the provision of creative facilities and activities, such as our Maker Spaces. These spaces not only contribute to income through memberships, classes, and courses but also play a key role in community engagement, supporting charitable activities like workshops for mothers in our Maternal Journal Programme. This dual-purpose structure enables the Maker Spaces to be funded through a combination of commercial income, grants, and public service contracts.

2. **Commercial Trading**: This stream is composed of the Coffee House, Shop, Catering Services, and Room and Event Space Hire. While these components are revenue-generating, their success is interconnected. For instance, the Coffee House staff support room hire services and provide front-of-house and administrative assistance three days a week, ensuring a welcoming environment for all visitors.

Charitable Income

Charitable Income is a vital component of our funding, encompassing donations and grants from trusts, foundations, individual donors, and corporate contributions. The Art House actively seeks out philanthropic support to fund various programmes and initiatives, ensuring that our mission extends beyond earned revenue alone. This income stream is critical for community-focused projects and activities that align with our charitable objectives.

In 2024/25 we introduced an individual giving opportunity, 'Change Makers'. This allows supporters to donate on a recurring monthly basis. These supporters are important members of The Art House community and this funding in crucial to supporting the work of the Charity.

Statutory Income

Statutory Income includes funding received from government bodies, with Arts Council England being our principal supporter.

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Integrated Approach to Funding

The Art House actively pursues funding opportunities which utilise and celebrate our on-site facilities and strengths. By securing grants, public funding, and other financial support, we can expand the use of our Maker Spaces, studios, galleries, and event spaces to deliver a wider range of programmes and community activities. This not only ensures that every space and resource is fully utilised, but also provides opportunities for our talented team to collaborate, share expertise, and develop innovative projects. In turn, this strengthens artistic provision, supports local makers, increases visitor engagement, and enhances the charity's overall sustainability.

Principal Funding Sources

Our principal sources of funding include:

- **Core Funding**: Arts Council England, Foyle Foundation, Garfield Weston, Earned Income.
- **Project Funding**: Contributions from Paul Hamlyn Foundation, The Baring Foundation, IGEN Trust, Wakefield Council, and various other trusts and foundations.

Fundraising Disclosure

The Art House is committed to adhering to the highest standards in fundraising. We follow the Code of Fundraising Practice and are in the process of registering with the Fundraising Regulator. Any fundraisers representing The Art House are expected to uphold these standards and are members of the Chartered Institute of Fundraising. In 2024/25 we have introduced an Ethical Fundraising Policy to reinforce our values.

Our fundraising activities include events, appeals for donations, and outreach to secure gifts, with a firm commitment to privacy and data protection. We will never sell or share donor data without consent or legitimate reason.

Any complaints are handled constructively and transparently, ensuring a complete response. No formal complaints were received during the year.

Our Fundraising Policy is robust and ensures that individuals can easily opt out of receiving fundraising communications.

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Statement of Trustees' Responsibilities

The Trustees (also serving as directors for company law purposes) are responsible for preparing this report and the financial statements in accordance with the applicable laws and UK Accounting Standards (UK GAAP). Trustees must ensure that financial statements provide a true and fair view of the charity's financial position and resource application.

In preparing the financial statements, Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles of the Charities SORP (FRS 102).
- Make judgments and estimates that are reasonable and prudent.
- State compliance with UK Accounting Standards (FRS 102) and disclose any material departures.
- Prepare financial statements on a going concern basis unless deemed inappropriate.

Trustees are also responsible for maintaining accurate records that disclose the financial position of the charity and ensure compliance with the Companies Act 2011 and related regulations. Safeguarding the charity's assets and preventing fraud or irregularities are also part of their duties.

Disclosure of Information to Auditors

Each Trustee confirms that, to the best of their knowledge, there is no relevant audit information that the charity's auditor is unaware of, and they have taken all necessary steps to ensure that any relevant information is communicated.

This report has been prepared in line with the small companies exemption provisions.

Approved by order of the Board of Trustees and signed on their behalf by:

Adrian Brooks

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Adrian Brooks
Chair of the Board of Trustees
Date: 2/12/2025 | 11:15 GMT

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THE CREATIVE ART HOUSE
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CREATIVE ART HOUSE

Opinion

We have audited the financial statements of The Creative Art House (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, Balance sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the results of our enquiries of management and those charged with governance of their assessment of the risks of fraud and irregularities;
- the nature of the charity including its management structure and control systems (including the opportunity for management to override such controls);
- management's incentives and opportunities for fraudulent manipulation of the financial statements and
- the environment in which it operates.

We also considered UK tax and pension legislation and laws and regulations relating to employment and the preparation and presentation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

Based on this understanding we identified the following matters as being of significance to the entity:

- laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Company Law and Charity Law;
- the timing of the recognition of income;
- the split of income and expenditure between funds;
- the requirement to impair tangible fixed assets and the amount of any such impairment;
- the charity's ability to continue as a going concern
- the correct classification of expenditure;
- management bias in selecting accounting policies and determining estimates;

We communicated the outcomes of these discussions and enquiries, as well as consideration as to where and how fraud may occur in the entity, to all engagement team members.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised:

- enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations and enquiries with the same concerning any actual or potential litigation or claims;
- inspection of relevant legal correspondence;
- obtaining an understanding of the policies and controls over the recognition of income and testing their implementation during the year;
- reviewing terms of grants and donations received in the year;
- challenging assumptions made by management in their specific accounting policies and estimates, in particular in relation to impairment of tangible fixed assets;
- assessing the performance of the entity in the period since the balance sheet date and challenging assumptions made by management;
- performing analytical procedures to identify any unusual or unexpected relationships or unexpected movements in account balances which may be indicative of fraud or error;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or crediting revenue or cash;
- reviewing the minutes of Board meetings;
- evaluating the underlying business reasons for any unusual transactions.

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No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sumer Auditco

Nicholas Weller FCCA, Senior Statutory Auditor
Sumer Auditco Ltd

Chartered Accountants & Statutory Auditors
14th Floor, 33 Cavendish Square,
London
W1G 0PW
2/12/2025 | 11:15 GMT

Sumer Auditco Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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THE CREATIVE ART HOUSE
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STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Income from:					
Donations and legacies	2	357,029	142,234	499,263	500,626
Charitable activities	3	106,008	-	106,008	102,885
Other trading activities	4	248,230	-	248,230	193,863
Investments	5	334	-	334	639
Total income		**711,601**	**142,234**	**853,835**	**798,013**
Expenditure:					
Cost of raising funds	6	26,718	-	26,718	12,665
Expenditure on charitable activities	7	780,746	196,057	976,803	976,613
Total expenditure		**807,464**	**196,057**	**1,003,521**	**989,278**
Net (expenditure) / income		**(95,863)**	**(53,823)**	**(149,686)**	**(191,265)**
Transfers between funds		13,205	(13,205)	-	-
Net movement in funds		**(82,658)**	**(67,028)**	**(149,686)**	**(191,265)**
Reconciliation of funds:					
Total funds brought forward		(7,558)	3,062,156	3,054,598	3,245,863
Total funds carried forward	16	**(90,216)**	**2,995,128**	**2,904,912**	**3,054,598**

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

The notes on pages 18 to 34 form part of these financial statements.

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THE CREATIVE ART HOUSE
(a Company limited by guarantee)

COMPANY NUMBER: 03345162

BALANCE SHEET AS AT 31 MARCH 2025

	Note		2025 £		2024 £
Fixed Assets					
Intangible assets	12		-		-
Tangible assets	13		2,932,192		3,076,462
			2,932,192		3,076,462
Current assets					
Debtors	14	88,626		84,318	
Cash at bank and in hand		33,744		57,654	
		122,370		141,972	
Liabilities					
Creditors: amounts falling due within one year	15	(149,650)		(163,836)	
Net current assets			(27,280)		(21,864)
Total net assets			2,904,912		3,054,598
The funds of the charity:					
Restricted funds	16		2,995,128		3,062,156
Unrestricted funds	16		(90,216)		(7,558)
Total funds			2,904,912		3,054,598

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small company's regime.

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

Approved by the trustees on 2/12/2025 | 11:15 GMT and signed and authorised for issue on their behalf by:

Adrian Brooks

.....

Adrian Brooks
Chair of Trustees

The notes on pages 18 to 34 form part of these financial statements.

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THE CREATIVE ART HOUSE
(a Company limited by guarantee)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	18	(23,484)	22,568
Cash flows from investing activities:			
Bank interest		334	639
Purchase of tangible fixed assets		(760)	-
Net cash used in investing activities		(426)	639
Change in cash and cash equivalents in the reporting period		(23,910)	23,207
Cash and cash equivalents at the beginning of the period		57,654	34,447
Cash and cash equivalents at the end of the reporting period	19	33,744	57,654

The notes on pages 18 to 34 form part of these financial statements.

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1 Accounting policies

General information

The Charity is a company limited by guarantee and was incorporated in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The number of members in 2025 were 28 (2024: 24). The registered office is Drury Lane, Wakefield, West Yorkshire, WF1 2TE. The registered company number is 03345162 and the registered charity number is 1063671.

1.1 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Creative Art House 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. The financial statements are prepared under the historical cost convention in £ sterling, which is the functional currency of the charity, and rounded to the nearest £1.

1.2 Going concern

The past year has been one of both challenge and progress, as The Art House continues to strengthen its financial foundations and plan confidently for the future. The Trustees are confident in The Art House's strong position, supported by clear strategic plans for fundraising, income generation and activity that run through to 2027. This plan sets out our priorities, milestones, and the steps we'll take to manage risks and remain resilient. Our financial planning is based on realistic assumptions and careful forecasting, helping us make informed decisions. Current projections show a stable and positive outlook, supported by responsible management and our continued commitment to building a diverse range of income streams.

We're grateful for the ongoing support of Arts Council England, as well as other funders, partners, and individual supporters. Their contributions have played a vital role in helping us deliver our artistic and community programmes. The Trustees remain focused on developing new partnerships and exploring funding opportunities that align with our values and ambitions for inclusive creative growth. We regularly review our financial performance, fundraising activity, and spending to make sure we are using resources wisely and protecting the charity's long-term future.

Our risk management approach also plays an important part in keeping the organisation secure. We regularly assess operational and financial risks to ensure that strong controls are in place and that we can respond quickly to any challenges. We also work closely with external finance professionals to review and test our plans, giving us additional reassurance and oversight.

With these strong foundations and proactive measures in place, the Trustees are confident that The Art House remains on a sound footing. It is therefore appropriate to prepare the financial statements on a going concern basis. This approach reflects our commitment to sustaining and growing The Art House, so that we can continue to support artists and our community with creativity, care, and confidence.

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1 Accounting policies (continued)

1.3 Fund accounting

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

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

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

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

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1 Accounting policies (continued)

1.6 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 institution with whom the funds are deposited.

1.7 Taxation

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

1.8 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on the following basis:

Website	- 33% straight-line

1.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Long-term leasehold property	- over the length of the lease
Short-term leasehold property	- over the length of the lease
Fixtures and fittings	- 15% per annum straight line
Office equipment	- 15% per annum straight line
Computer equipment	- over 3 years straight line
Art work pieces	- 15% per annum straight line

In the year of acquisition computer, office equipment, fixtures and fittings are depreciated from the start of the year.

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1 Accounting policies (continued)

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

1.11 Cash at bank and in hand
Cash at bank and 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.

1.12 Liabilities and provisions
Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

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

1.14 Operating leases
Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.15 Pensions
The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.16 Employee benefits
The costs of short term employee benefits are recognised as an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.17 Critical accounting estimates and areas of judgment
Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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2 Income from donation, grants and legacies

	Unrestricted 2025 £	Restricted 2025	Total 2025 £
Donations			
Donations including gift aid	72,115	-	72,115
Grants			
Arts Council England - Core Grant	221,633	-	221,633
Arts Council England - Culture Recovery and Capital	-	7,494	7,494
Wakefield Council Grant	-	3,660	3,660
Paul Hamlyn Grant	40,000	-	40,000
Other grants	23,279	131,080	154,359
Membership fees	2	-	2
Total	357,029	142,234	499,263

Income from donation, grants and legacies (prior year)

	Unrestricted 2024 £	Restricted 2024	Total 2024 £
Donations			
Donations including gift aid	1,965	-	1,965
Grants			
Arts Council England - Core Grant	221,633	-	221,633
Arts Council England - Culture Recovery and Capital	1,250	-	1,250
Wakefield Council Grant	85,000	-	85,000
Paul Hamlyn Grant	40,000	-	40,000
Other grants	58,563	92,175	150,738
Membership fees	40	-	40
Total	408,451	92,175	500,626

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3 Income from charitable activities

	Unrestricted Funds 2025 £	Total Funds 2025 £
Provision of art facilities	106,008	106,008

	Unrestricted Funds 2024 £	Total Funds 2024 £
Provision of art facilities	102,885	102,885

	2025 £	2024 £
Provision of art facilities		
Studio rental	50,995	48,530
Studio service charge	6,878	7,248
Studio virtual	180	1,444
Studio other	1,535	3,027
Print room	17,373	19,920
Dark room	8,637	3,727
Ceramic Studio	20,410	18,989
	106,008	102,885

4 Income from other trading activities

	Unrestricted 2025 £	Total 2025 £
Room hire and flat	24,480	24,480
Off-site management	156,524	156,524
Contracts for services	6,050	6,050
Other income	2,400	2,400
Other public courses	16,842	16,842
Coffee House	35,634	35,634
Shop income	6,300	6,300
	248,230	248,230

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4 Income from other trading activities (prior year)

	Unrestricted 2024 £	Restricted 2024 £	Total 2024 £
Room hire and flat	25,100	320	25,420
Off-site management	110,681	-	110,681
Contracts for services	1,767	3,293	5,060
Other income	4,289	2,637	6,926
Other public courses	12,981	-	12,981
Coffee House	25,217	678	25,895
Shop income	6,900	-	6,900
	186,935	6,928	193,863

5 Investment income

	Unrestricted 2025 £	Unrestricted 2024 £
Bank interest	334	639

6 Raising funds

	Total Funds 2025	Total Funds 2024
Fundraising	24,788	10,127
Marketing	1,930	2,538
	26,718	12,665

During the year, total expenditure on raising funds was £26,718 (2024: £12,665) of which unrestricted expenditure amounted to £26,718 (2024: £8,865) and restricted expenditure amounted to £Nil (2024: 3,800).

7 Expenditure on charitable activities

	Total 2025 £	Total 2024 £
Provision of art facilities	976,803	976,613

During the year, total expenditure on charitable activities was £976,803 (2024: £976,613) of which unrestricted expenditure amounted to £780,746 (2024: £735,249) and restricted expenditure amounted to £196,057 (2024: £241,364).

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8 Analysis of expenditure by activities

	Direct costs 2025 £	Support costs 2025 £	Total 2025 £
Provision of art facilities	756,724	220,079	976,803

	Direct costs 2024 £	Support costs 2024 £	Total 2024 £
Provision of art facilities	785,801	190,812	976,613

Analysis of direct costs

	Total Funds 2025 £	Total Funds 2024 £
Staff costs	262,392	330,393
Other staff costs	7,446	804
Depreciation	145,030	150,440
Artistic programme costs	40,340	33,135
Project costs	148,499	160,567
Coffee House costs	19,584	15,048
Shop costs	3,231	2,634
Premises costs	112,833	69,935
Marketing	17,369	22,845
	756,724	785,801

Analysis of support costs

	Total Funds 2025 £	Total Funds 2024 £
Staff costs	101,209	87,291
Office costs	33,541	38,392
Professional fees	77,289	46,657
Governance costs	8,040	18,472
	220,079	190,812

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9 Auditors remuneration

	2025	2024
	£	£
Fees payable to the charity's auditor for the audit of the charity's annual accounts	15,000	12,500

10 Staff costs

	2025	2024
	£	£
Wages and salaries	348,069	394,427
Social security costs	19,981	16,572
Contribution to defined contribution pension schemes	6,795	6,685
	374,845	417,684

The average number of persons employed by the charity during the year was as follows:

	2025	2024
	No.	No.
Employees	26	24

No employee received remuneration amounting to more than £60,000 in 2025 (2024: none).

Key management consist of the CEO and Co-Executive Directors (2024 - CEO, Programme Director, Admin Director and Finance Director). The total remuneration including employer's NI and pension attributable to the senior management team for the year was £117,376 (2024: £114,653).

11 Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024: £nil).

During the year, no Trustee expenses have been incurred (2024: £nil).

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12 Intangible assets

	Website £
Cost	
At 1 April 2024	9,503
At 31 March 2025	**9,503**
Amortisation	
At 1 April 2024	9,503
At 31 March 2025	**9,503**
Net book value	
At 31 March 2024	-
At 31 March 2025	-

13 Tangible fixed assets

	Long-term leasehold property £	Short-term leasehold property	Fixtures and fittings £	Office Equipment £	Computer Equipment £	Other fixed assets	Total £
Cost or valuation							
At 1 April 2024	2,554,816	2,346,768	210,989	61,207	53,378	9,160	5,236,318
Additions	-	-	-	-	760	-	760
At 31 March 2025	**2,554,816**	**2,346,768**	**210,989**	**61,207**	**54,138**	**9,160**	**5,237,078**
Depreciation							
At 1 April 2024	1,010,640	892,260	145,668	49,671	52,457	9,160	2,159,856
Charge for the year	19,064	103,893	18,454	3,145	474	-	145,030
At 31 March 2025	**1,029,704**	**996,153**	**164,122**	**52,816**	**52,931**	**9,160**	**2,304,886**
Net book value							
At 31 March 2025	1,525,112	1,350,615	46,867	8,391	1,207	-	2,932,192
At 31 March 2024	1,544,176	1,454,508	65,321	11,536	921	-	3,076,462

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14 Debtors

	2025	2024
	£	£
Trade debtors	59,734	52,789
Prepayments and accrued income	28,892	31,529
	88,626	84,318

15 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	79,229	61,239
Other taxation and social security	16,993	34,547
Other creditors	7,386	21,407
Accruals and deferred income	46,042	46,643
	149,650	163,836

Deferred income

	2025	2024
	£	£
As at 1 April	20,964	-
Resources released during the year	(20,964)	-
Resources deferred during the year	20,473	20,964
As at 31 March	20,473	20,964

Deferred income relates to off-site rent, services charges, room hires and other public courses received in advance.

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16 Funds summary

Statement of funds - current year

Unrestricted funds	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
General funds					
General funds	(7,558)	711,601	(807,464)	13,205	(90,216)
Total unrestricted funds	(7,558)	711,601	(807,464)	13,205	(90,216)
Restricted funds					
ACE Capital Funding (CapEx Grant)	60,246	4,956	(11,185)	-	54,017
Capital Project - Drury Lane	1,524,711	-	(18,824)	-	1,505,887
Capital Project - Carnegie Library	1,382,048	-	(98,718)	-	1,283,330
Library lease	72,457	-	(5,176)	-	67,281
Art Fund - Herd project	-	1,600	-	-	1,600
Art Fund - Research project	-	2,538	-	-	2,538
Baring Foundation Grant	-	24,907	(12,593)	-	12,314
Henry Moore Foundation	-	3,000	(1,263)	(1,737)	-
Charities Aid Foundation	-	5,000	-	-	5,000
Creative Minds Talk and Draw	-	4,366	(3,861)	-	505
Creative Minds Stitching	-	6,000	-	-	6,000
D'oyly Carte Foundation	-	4,550	-	-	4,550
Community Foundation Wakefield	-	4,987	-	(4,987)	-
IGEN Trust	-	39,623	(5,124)	-	34,499
Big Give Fundraising	1,750	-	-	(1,750)	-
Nova Wakefield	19,127	1,175	(20,722)	420	-
Seaglass Uni	1,624	-	(278)	-	1,346
Skillshare	193	90	-	-	283
30 | 30 | 30	-	1,140	(1,223)	83	-
The Austin and Hope Pilkington Trust Grant	-	5,000	-	(2,500)	2,500
The Space	-	12,000	(7,091)	-	4,909
Unlimted Grant	-	8,906	(6,172)	(2,734)	-
University of Sheffield	-	3,036	-	-	3,036
Wakefield Council - Darkroom project	-	5,700	(167)	-	5,533
Wakefield Council - Lifelong learning	-	3,660	(3,660)	-	-
Total restricted	3,062,156	142,234	(196,057)	(13,205)	2,995,128
Total funds	3,054,598	853,835	(1,003,521)	-	2,904,912

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16 Funds summary (continued)

Statement of funds - prior year

Unrestricted funds	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
General funds					
General funds	14,301	698,910	(744,114)	23,345	(7,558)
Total unrestricted funds	14,301	698,910	(744,114)	23,345	(7,558)
Restricted funds					
ACE Capital Funding (CapEx Grant)	73,002	-	(12,756)	-	60,246
Capital Project - Drury Lane	1,543,573	-	(18,862)	-	1,524,711
Capital Project - Carnegie Library	1,480,766	-	(98,718)	-	1,382,048
Library lease	77,633	-	(5,176)	-	72,457
Creative Minds Talk and Draw	-	-	(1,031)	1,031	-
Creative Minds Outside In	-	3,000	(2,891)	(109)	-
Leeds Hospital Charities (NHS) Re-Emerge	24,786	1,650	(27,608)	1,172	-
Historic England	11,035	10,117	(21,152)	-	-
Nova Grant	16,967	-	(165)	(16,802)	-
Foyle Foundation	3,800	-	(3,800)	-	-
Big Give Fundraising	-	1,750	-	-	1,750
Happy Healthy Holidays	-	12,449	(6,254)	(6,195)	-
Haribo Fund - Artwalk	-	4,987	(2,487)	(2,500)	-
Nova Wakefield	-	49,390	(30,263)	-	19,127
Seaglass Uni	-	8,852	(7,228)	-	1,624
Skillshare	-	198	(5)	-	193
Wild Escape Project	-	2,930	(2,961)	31	-
Unlimited Grant	-	3,780	(3,807)	27	-
Total restricted	3,231,562	99,103	(245,164)	(23,345)	3,062,156
Total funds	3,245,863	798,013	(989,278)	-	3,054,598

ACE Capital Funding (CapEx Grant)
To provide support in the maintenance and upkeep of The Art House Building and upgrading for re-positioning and sustainability.

Capital Project - Drury Lane
Funded by grants from the Arts Council Lottery and others towards the cost of developing a permanent home for the charity. The fund balance represents the cost of initial planning, leasehold land, professional fees, construction and equipment in relation to The Art House Building, less depreciation charged.

Capital Project - Carnegie Library

Funded primarily by grants from the Arts Council Lottery towards the costs of developing the Carniegie Library into an extension to the Art House Building. The initial professional fees and project set up costs ahead of the construction phase have been written off to revenue. £50,000 of the charity's reserves have been put towards the project.

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16 Funds summary (continued)

Library lease
This is a 25 year lease from Wakefield Metropolitan District Council for use of the Carnegie Library. The lease was signed in January 2014 and depreciation has commenced from May 2015, on completion of the building.

Art Fund
Herd project: A series of 4 screenprint and crafting workshops for children and young people, and families in the asylum process, inspired by the Herds, a global climate change initiative project.

Research grant: Jonathan Ruffer Curatorial Grants Programme, to support a series of UK trips to research refugee and artists in / or have been through the asylum process.

Bagri Foundation
Support towards Zarah Hussain's solo exhibition 'Paradise Carpet'.

Baring Foundation
The delivery of creative support sessions specifically for men experiencing poor mental health.

Big Give Fundraising
A public driven fundraiser to support Artwalk (a bi-monthly creative event across the city) and contribute towards the running costs of the project. Crowd funding managed by 'Big Give'.

Charities Aid Foundation
Anonymous donation managed by the Charities Aid Foundation. Used to support the Charlotte Smithson exhibition.

Creative Minds
To support Talk and Draw, 48 workshops for people seeking asylum refugees and the local community of all age groups.

To support Creative Stitching workshops for people seeking asylum refugees and the local community of all age groups.

Community Foundation Wakefield District
To support the Haribo Happiness Together Fund - Creative workshops lead by a practicing artist for intergenerational local families and members of TAH's Studio of Sanctuary (work with refugees and people seeking asylum.

D'oyly Carte Foundation
Urban Gardening/Environment project supporting the mental wellbeing of community members.

IGEN Trust
The delivery of various Arts and Health community projects throughout 2025.

Foyle Foundation
Development of 'Well Placed' off site project and exploring other sustainable income streams.

Henry Moore Foundation
Support towards artist Bijan Amini-Alavijeh's solo exhibition 'A Glimmer'.

Skillshare
Funds raised from sales of donated crafts created during Skill Share workshops at TAH.

The Austin and Hope Pilkinton Trust
To support a residency programme specifically supporting Disabled Artists throughout 2024/25.

Nova Wakefield
Creative health work with perinatal women including art therapy and community group work. Funded by NOVA Wakefield.

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Seaglass Uni
6 week creative health course co researched by participants and practitioners and project staff working with adoptive parents. Funded by University of Sheffield via Seaglass Creative.

The Space
Support towards Zarah Hussain's solo exhibition 'Paradise Carpet'.

University of Sheffield
Support towards the project Cripping Breath, a collaborative research project with University of Sheffield.

Unlimited
Funding to support an artist commission by Unlimited. Support delivered by The Art House included accommodation, delivery of workshops and support for artists to participate in the work.

Wakefield Council
Darkroom project: Commission to design and build a large-scale camera obscura, new mobile community resource for Wakefield.

Lifelong learning: Support to hold Lifelong Learning Activity for Wakefield's Festival of Learning.

30 | 30 | 30 public challenge
Public fundraising campaign to provide free workshops for children during the summer holidays of 2024.

Transfers
Transfers to unrestricted funds are made where the conditions on the restricted funds have been fully met.

17 Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	21,677	2,910,515	2,932,192
Current assets	34,400	87,970	122,370
Creditors falling due in less than one year	(146,293)	(3,357)	(149,650)
	(90,216)	2,995,128	2,904,912

Analysis of net assets between funds - prior year

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	37,000	3,039,462	3,076,462
Current assets	119,278	22,694	141,972
Creditors falling due in less than one year	(163,836)	-	(163,836)
	(7,558)	3,062,156	3,054,598

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18 Reconciliation of net movement in funds to net cash flow from operating activities

	2025	2024
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(149,686)	(191,265)
Adjustments for:		
Depreciation charges	145,030	150,440
Bank interest	(334)	(639)
Increase in debtors	(4,308)	(2,441)
(Decrease)/increase in creditors	(14,186)	66,473
Net cash (used in)/provided by operating activities	(23,484)	22,568

19 Analysis of cash and cash equivalents

	2025	2024
	£	£
Cash in hand	33,744	57,654

20 Analysis of changes in net debt

	At 1 April 2024	Cash flows	At 31 March 2025
Cash at bank and in hand	57,654	(23,910)	33,744

21 Pension commitments

The Charity operates one defined contribution pension scheme. The assets of the schemes are held separately from those of the Charity in independently administered funds. The total pension cost charge represents contributions payable by the Charity to the funds and amounted to £6,794 (2024: £6,685). Contributions totalling £Nil (2024: £7,967) were payable to the scheme at the balance sheet date and are included in creditors.

22 Operating lease commitments

At 31 March 2025, the charity had commitments to make future minimum lease payments under non cancellable operating leases as follows:

	2025	As restated 2024
	£	£
Not later than 1 year	1,783	1,783
Later than 1 year and not later than 5 years	4,012	5,795
	5,795	7,578

BoldSign Document ID: 06ac5103-df69-485f-afe2-091f01165471

23 Related party transactions

No expenses were reimbursed to key management personnel within the year (2024: £1,643).

During the period, Trustee, Adrian Brooks, made a donation to the charity of £51,000 (2024: £45,000).

There were no other related party transactions that took place in the year (2024: none).

THE CREATIVE ART HOUSE

England & Wales - Charity number 1063671

Accounts

Registered number: 03345162
Charity number: 1063671

THE CREATIVE ART HOUSE
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

FRIDAY
ADIDHOPF
A44 20/12/2024 #179
COMPANIES HOUSE

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

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THE CREATIVE ART HOUSE
(a Company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

Trustees	E Adair, Co-Chair A Asres (resigned 14 May 2024) A Balchin, Co-Chair (appointed 14 May 2024) A Brooks J Curran B Esapathi (resigned 20 November 2023) Dr A Langley (appointed 14 May 2024) J Peel (appointed 17 April 2024) P Pickersgill (appointed 14 May 2024) S Roads (appointed 11 October 2024)
Chief executive	S Thornbury
Company registered number	03345162
Charity registered number	1063671
Registered office	The Art House Drury Lane Wakefield WF1 2TE
Independent auditors	Sumer Auditco Ltd Chartered Accountants & Statutory Auditors 14th Floor, 33 Cavendish Square London W1G 0PW
Bankers	Unity Trust Bank plc 4 Brindley Place Birmingham B1 2HB
Solicitors	Hempsons The Exchange Station Parade Harrogate HG1 1 DY

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

INTRODUCTION FROM THE CHAIR
FOR THE YEAR ENDED 31 MARCH 2024

As Co-Chairs of The Art House, it is our privilege to present our Trustees' Report and Financial Statements for the year ended 31 March 2024. These documents tell the story of a year filled with creativity, resilience, and meaningful impact on our community.

This year, the team has continued our commitment to dismantling barriers that limit participation in the arts. Through pioneering initiatives and innovative programmes such as Studio of Sanctuary, the transformation of unused spaces for artists through Well Placed and our work in Arts and Health, we have created spaces where diverse voices can thrive. From welcoming new artists to our residencies and exhibitions to supporting asylum-seeking and refugee creators, our work has showcased the transformative power of art in building connections and understanding.

Our financial position remains a key focus. In a challenging economic climate, we have made significant progress in diversifying income streams while carefully managing resources. The invaluable support of Arts Council England and our other funders has underpinned our efforts, enabling us to plan confidently for the future.

The year has also been one of governance renewal, with the appointment of new Trustees bringing fresh expertise to strengthen our strategic direction. Their dedication, alongside the passion of our staff, volunteers, partners, and donors, fuels our collective ability to serve artists and communities alike.

Looking ahead, we remain inspired by the stories of resilience and creativity we have encountered. These accounts reinforce our resolve to build an even more inclusive, sustainable, and vibrant future for The Art House and the communities we serve.

Thank you for your ongoing support, which makes all this possible.

Emma Adair 17 December 2024

Emma Adair - Co-Chair of Trustees

17 December 2024

Andrew Balchin - Co-Chair of Trustees

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2024

We, the Trustees, are proud to present our annual report alongside the audited financial statements for the year from 1 April 2023 to 31 March 2024. These statements have been prepared to fulfil the requirements for a directors' report and accounts as stipulated by the Companies Act. In crafting this report and the accompanying financial statements, we have followed the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities." This report reflects the commitment, innovation, and passion that drive The Art House's work and contributions to the community.

The financial statements comply with the accounting policies detailed in the notes to the accounts, aligning with the charity's governing document, the Charities Act 2011, and the applicable accounting and reporting standards published in October 2019. These standards ensure transparency, accountability, and the highest degree of financial integrity.

As The Art House qualifies as a small entity under section 382 of the Companies Act 2006, the strategic report requirement mandated for medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has not been included.

Objectives and Activities

a. Policies and Objectives

Our mission at The Art House is to provide an inclusive, accessible environment where both disabled and non-disabled visual artists can thrive. We support artists in advancing their practice, reaching wider audiences, and building meaningful networks through:

- Providing accessible creative workspaces designed to foster creativity and inclusivity.
- Hosting artist residencies, exhibitions, professional training, and personalised guidance.
- Actively promoting equality and diversity within the visual arts to champion opportunities for all artists.

The Art House remains steadfast in its commitment to dismantling barriers—whether physical, educational, social, or economic—that hinder visual artists. We have broadened our reach to support marginalised communities, epitomised by our pioneering Studio of Sanctuary programme. The UK-first initiative extends professional development, studio space, and pastoral care to asylum-seeking and refugee artists, offering them a platform to express and nurture their artistic vision.

Our dedication extends beyond artists to engage the wider Wakefield community through impactful social projects, Arts and Health programmes, public workshops, and work with children and young people. The Well-Placed programme has grown and attracted national attention, thereby enhancing placemaking and fostering strong community partnerships in alignment with the Government's objectives.

We work with the local authority and local businesses to help regenerate Wakefield through arts, culture, and the creative industries.

b. Activities to Achieve Objectives

The Art House's facilities boast 45 artist studios, 3 fully equipped maker spaces—including a print studio, ceramics studio, and darkroom—as well as versatile gallery and event spaces, meeting rooms, a dedicated learning space, accessible residency accommodations, a coffee house, a shop, and an outdoor terrace. Our comprehensive artistic programme fuels creative growth and public engagement through:

- Residency opportunities and commissioned work for artists.
- Mentoring and artist-led practice-sharing.
- A vibrant schedule of exhibitions, workshops, and events that connect artists with audiences.

Our social engagement activities demonstrate our broader community commitment:

- Pioneering the UK's first 'Studio of Sanctuary' for asylum-seeking and refugee artists.
- Running Arts and Health initiatives that promote well-being through creativity.
- Organising public workshops and community festivals that promote artistic involvement.
- Supporting interim-use spaces through the Well Placed programme, benefitting local artists and organisations.
- Delivering educational projects for children, exemplified by our partnership with Lawfield Primary School.

In all these activities, the Trustees have carefully considered the Charity Commission's public benefit guidance to ensure that our work continues to meet the highest standards of service and community value.

Achievements and Performance

a. Key Performance Indicators

The key financial performance indicators we monitor include:

- **Earned Income**: Derived from studio leases, meeting and event rentals, sales from the coffee house and shop, and revenue from public and private workshops.
- **Charitable Income**: Primarily secured through Arts Council England (NPO funding) and supplemented by grants from statutory bodies, trusts, foundations, and individual donors.

b. Review of Activities

Programme

In 2023-24, The Art House presented a season of bold exhibitions that proudly supported emerging or mid-career artists, most of whom are working or showcasing work for the first time. A major highlight included the new collaborative project, *Her performance is taking place at the beginning and end of the world,* featuring seven exciting emerging artists and recent Goldsmith's graduates; Farrah Akbarali, Hannah Moulds, Krystle Patel, Maria Joranko, Mariette Moor, Stela Brix and Vanessa Walters.

We held 19 exhibitions on-site and 4 exhibitions off site highlighting the work of disabled or other traditionally marginalised artists, alongside diverse international voices, with approx. annual of 23,00 visitors (71,000 exhibition viewings across all projects).

In autumn 2023, TAH was thrilled to receive its second Sanctuary Award as 'Gallery of Sanctuary' and achieved the re-awarded status as a Studio of Sanctuary - a recognition of our ongoing commitment to supporting those seeking asylum in the country since 2017, as well as creating space within our galleries to profile artists with lived experiences of displacement. In celebration we showcased an exhibition of artists and projects we have supported over the last 6 years.

Another exhibition highlight celebrated a premier solo presentation of work from Jessie Davies, following her 2021-22 residency at TAH. Davies is a predominately non-verbal artist who uses the language of paint to highlight the importance of the UK's fragile ecosystems, as seen in her show Perspectives.

TAH is committed to supporting and promoting the practices of artists who have not yet exhibited in the UK. Our international representation and exhibition highlights celebrated the work with the first major presentation by Madhu Das. TAH spotlighted his brand-new solo project, *fragile / fragment / fermentation*, marking the artist's first and most comprehensive collection of new work in the UK. Das, who lives in Mumbai, India, creates work inspired by oral history and the uncovering of stories connected to geography, history and community.

In total, the 19 exhibitions we held onsite included:

- *her performance is taking place at the beginning and end of the world*, with Farrah Akbarali, Hannah Moulds, Krystle Patel, Maria Joranko, Mariette Moor, Stela Brix, and Vanessa Walters
- Dreaming Methods: *The Abandoned Library.*
- Mohamad Hafeda: *The Time While Waiting.*
- Kate McDonnell: *Processing*
- Clare Carter: *Maternal Stratum*
- The Royal Society of Sculptors presents: *The Gilbert Bayes Award*, with Catriona Robertson, Emily Woolley, Iwona Rozbiewska, Lewis Davidson, Louisa Johnson, Rosalie Wammes, Sasha Tishkov, Veronika Neukirch, Yambe Tam and Zara Ramsay
- Tony Wade: *Andromeda.*
- *Picturing High Streets.*
- Madhu Das: *Room to Breathe.*
- Ryoko Akama: *in.visible.*
- Catriona Robertson: *Gigantic Pile- Relics of the Future.*
- Sophie Jones: *A Tangled Thread.*
- *20:20 Print Exchange Touring Exhibition*

- Cat Scott: *Inner Horizons*
- Kirstie Williams: *Mills in Colour*
- Soft & Hard: Beyond Recognition and Queer Coding, with Elena Hoskyns-Abrahall, Emma Sheehy, Hongmin An, Jim Rampage, Leonie Cameron, Net Warner, Sean Synnuck, Sojung Park, Yuqing Lin, Candice Dehnavi, Maya Erin Masuda, Theresa Weber, Rose Arbuthnott and Whiskey Chow.

We also staged a further 4 off-site exhibitions and projects:

- INTRO/SPECTIVE, an exhibition of work by students studying their BA (Hons) Photography degree at Leeds Arts University,
- The Body and NO Body: Erika Pearse and Hollie Wilson
- Bex Blayney | Alegria Repila Smith: doublethink
- Sophie Amelia: Authentic Expression

We were proud to have supported 87 artists in total through solo or group exhibition programming, and through residencies and SoS bursary residencies. In total we hosted 18 artists through 12 residencies throughout the year:

- Charan Singh
- OTHER- group of five UK based internationally active disabled, neurodivergent, Queer intergenerational artist
- Christopher Hanson
- Ryoko Akama
- Two Destination Language (Katherina Radeva and Alister Lownie)
- Nadia Sokolenko
- Babeworld – a collective of 4 artists including Ashleigh Williams and Ingrid Banerjee Marvin
- Sarah Van Marcke
- Kim Karabo Makin
- Asta
- Three SoS Residencies

Business Developments

Well Placed Programme In 2023/24, our Makey Wakey initiative at The Ridings Shopping Centre concluded due to the centre's commercial sale. During this transition, we provided dedicated support to space users and facilitated their move to alternative locations, with assistance from Historic England. **Salford Loading** at Quayside MediaCity continued to flourish, maintaining 12 artist-managed spaces and driving engagement within the local creative sector. Looking ahead, we plan to expand this successful model to other cities, targeting the establishment of 10 new spaces over the next three years to broaden our community impact.

Maker Spaces Our Print, Ceramics, and Darkroom facilities have remained pivotal, contributing to both earned income and community enrichment. These maker spaces, staffed by local professional artists, not only facilitate workshops and courses but also offer mentorship and guidance to visiting artists and members, enabling skill-building and creative exploration. Community workshops have continued to integrate art into everyday life, further deepening our local impact.

Governance Improvements The Art House new Trustees have led a governance transformation following a review by Arts Council England consultants. This review led to the implementation of a comprehensive action plan, reinforcing the new board's stability and enhancing governance practices. The result is a board of eight dedicated Trustees with diverse expertise, offering exceptional guidance and support to the staff.

Going Concern

In a challenging economic landscape, maintaining financial stability is crucial. The Trustees are confident in The Art House's going concern status, bolstered by a comprehensive Business Plan that extends through 2027. This plan outlines clear strategic goals, milestones, and contingencies to mitigate potential financial risks and ensure continued resilience. Our forward-looking approach is built on robust cash flow forecasting, which incorporates realistic, evidence-based assumptions. Current projections indicate a positive financial trajectory, supported by prudent management practices and a commitment to diversifying income streams.

We have also received invaluable backing from Arts Council England, alongside other funding partners and private pledges, which have played a pivotal role in stabilising our financial position. The Trustees remain proactive in pursuing new partnerships and funding opportunities, seeking collaborations with organisations that align with our vision for community impact and artistic growth. The Trustees are committed to closely monitoring financial performance, regularly reviewing income generation strategies, and implementing effective cost management to safeguard the charity's future.

The adoption of a rigorous risk management plan further reinforces our going concern status. This plan includes regular assessment of operational and financial risks, ensuring that appropriate controls are in place to address potential challenges swiftly. Our collaboration with external accountancy professionals provides an additional layer of assurance, subjecting our financial plans to thorough scrutiny and expert validation.

Based on the strong foundations established and the proactive measures in place, the Trustees have determined that it is appropriate to prepare the financial statements on a going concern basis. This careful approach underscores our commitment to the sustainability and growth of The Art House, enabling us to continue serving our artists and community with confidence.

Structure, Governance, and Management

a. Constitution The Art House is a charitable company limited by guarantee, founded in April 1997 and governed by its Articles of Association (Charity no. 1063671).

b. Trustee Appointment Trustees are appointed for three-year terms through a structured interview process, ensuring alignment with the charity's strategic goals and values. This method maintains a balanced board with the necessary expertise.

c. Decision-Making Structure The Board of Trustees sets and reviews the charity's strategic direction and policies, delegating the day-to-day management to senior staff.

Regular meetings ensure that the board remains actively involved in oversight. Currently, the board meets monthly to maintain strong governance.

d. Induction and Training New Trustees are invited to observe board meetings before formal induction. They receive comprehensive information packs detailing the charity's policies, procedures, and strategic objectives. Ongoing training opportunities are provided to ensure Trustees are well-equipped to fulfil their roles effectively.

e. Senior Staff Pay Policy The Board oversees and approves policies related to remuneration, benchmarking salaries against local market data and using external consultants as needed. This ensures we attract and retain highly skilled individuals who share our commitment to the charity's mission.

f. Risk Management The Trustees and executive team actively manage financial and operational risks through a robust risk register and ongoing review processes.

Key risks include funding continuity and building maintenance, both managed through strategic action plans. We are very pleased to have secured re-entry into the Arts Council's NPO, providing stability through 2026. Maintenance costs are monitored through a prioritisation plan

Funding

The Art House employs a robust, mixed-economy funding model to support its operations, encompassing Earned Income, Charitable Income, and Statutory Income. This diversified approach is designed to ensure sustainability and foster growth.

Earned Income
Earned Income is generated through two primary channels:

1. **Mission-Related Trading**: This includes revenue from the provision of creative facilities and activities, such as our Maker Spaces. These spaces not only contribute to income through memberships, classes, and courses but also play a key role in community engagement, supporting charitable activities like workshops for mothers in our Maternal Journal Programme. This dual-purpose structure enables the Maker Spaces to be funded through a combination of commercial income, grants, and public service contracts.
2. **Commercial Trading**: This stream is composed of the Coffee House, Shop, Catering Services, and Room and Event Space Hire. While these components are revenue-generating, their success is interconnected. For instance, the Coffee House staff support room hire services and provide front-of-house and administrative assistance three days a week, ensuring a welcoming environment for all visitors.

Charitable Income
Charitable Income is a vital component of our funding, encompassing donations and grants from trusts, foundations, individual donors, and corporate contributions. The Art House actively seeks out philanthropic support to fund various programmes and initiatives, ensuring that our mission extends beyond earned revenue alone. This income stream is critical for community-focused projects and activities that align with our charitable objectives.

Statutory Income
Statutory Income includes funding received from government bodies, with Arts Council England being our principal supporter.

Integrated Approach to Funding
The Art House's funding model ensures that each income stream is leveraged to support and complement the others. For example, while the Maker Spaces generate earned income through memberships and workshops, they also qualify for charitable grants and public contracts that support community-focused activities. Similarly, while the Coffee House and room hire services are commercial enterprises, they contribute to the overall visitor experience and operational capacity, making them integral to our earned income strategy.

Principal Funding Sources
Our principal sources of funding include:

- **Core Funding**: Arts Council England, Earned Income.
- **Project Funding**: Contributions from Paul Hamlyn Foundation, Wakefield Council, Historic England, NHS Leeds Hospital Charity, NOVA, and various trusts and foundations.

Fundraising Disclosure The Art House is committed to adhering to the highest standards in fundraising. We follow the Code of Fundraising Practice and are in the process of registering with the Fundraising Regulator. All fundraisers representing The Art House are expected to uphold these standards and are members of the Chartered Institute of Fundraising. Over the next year, we will formalise an Ethical Fundraising Policy, overseen by the Trustees, to reinforce our values.

Our fundraising activities include events, appeals for donations, and outreach to secure gifts, with a firm commitment to privacy and data protection. We will never sell or share donor data without consent or legitimate reason. Any complaints are handled constructively and transparently, ensuring a complete response. No complaints were received during the past year.

Our Safeguarding Policy is robust and ensures that individuals can easily opt out of receiving fundraising communications.

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Statement of Trustees' Responsibilities The Trustees (also serving as directors for company law purposes) are responsible for preparing this report and the financial statements in accordance with the applicable laws and UK Accounting Standards (UK GAAP). Trustees must ensure that financial statements provide a true and fair view of the charity's financial position and resource application.

In preparing the financial statements, Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles of the Charities SORP (FRS 102).
- Make judgments and estimates that are reasonable and prudent.
- State compliance with UK Accounting Standards (FRS 102) and disclose any material departures.
- Prepare financial statements on a going concern basis unless deemed inappropriate.

Trustees are also responsible for maintaining accurate records that disclose the financial position of the charity and ensure compliance with the Companies Act 2011 and related regulations. Safeguarding the charity's assets and preventing fraud or irregularities are also part of their duties.

Disclosure of Information to Auditors Each Trustee confirms that, to the best of their knowledge, there is no relevant audit information that the charity's auditor is unaware of, and they have taken all necessary steps to ensure that any relevant information is communicated.

This report has been prepared in line with the small companies exemption provisions.

Approved by order of the Board of Trustees and signed on their behalf by:

Emma Adair

.....

Emma Adair
Co-Chair of Trustees
Date: 17/12/2024 | 09:50 GMT

.....

Andrew Balchin
Co-Chair of Trustees
Date: 17/12/2024 | 09:38 GMT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CREATIVE ART HOUSE

Opinion

We have audited the financial statements of The Creative Art House (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, Balance sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the results of our enquiries of management and those charged with governance of their assessment of the risks of fraud and irregularities;
- the nature of the charity including its management structure and control systems (including the opportunity for management to override such controls);
- management's incentives and opportunities for fraudulent manipulation of the financial statements and
- the environment in which it operates.

We also considered UK tax and pension legislation and laws and regulations relating to employment and the preparation and presentation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

Based on this understanding we identified the following matters as being of significance to the entity:

- laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Company Law and Charity Law;
- the timing of the recognition of income;
- the split of income and expenditure between funds;
- the requirement to impair tangible fixed assets and the amount of any such impairment;
- the charity's ability to continue as a going concern
- the correct classification of expenditure;
- management bias in selecting accounting policies and determining estimates;

We communicated the outcomes of these discussions and enquiries, as well as consideration as to where and how fraud may occur in the entity, to all engagement team members.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised:

- enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations and enquiries with the same concerning any actual or potential litigation or claims;
- inspection of relevant legal correspondence;
- obtaining an understanding of the policies and controls over the recognition of income and testing their implementation during the year;
- reviewing terms of grants and donations received in the year;
- challenging assumptions made by management in their specific accounting policies and estimates, in particular in relation to impairment of tangible fixed assets;
- assessing the performance of the entity in the period since the balance sheet date and challenging assumptions made by management;
- performing analytical procedures to identify any unusual or unexpected relationships or unexpected movements in account balances which may be indicative of fraud or error;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or crediting revenue or cash;
- reviewing the minutes of Board meetings;
- evaluating the underlying business reasons for any unusual transactions.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sumer Auditco

Nick Weller FCCA, Senior Statutory Auditor
Sumer Auditco Ltd

Chartered Accountants & Statutory Auditors
14th Floor, 33 Cavendish Square,
London
W1G 0PW
17/12/2024 | 09:50 GMT

Sumer Auditco Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	As restated Total Funds 2023 £
Income from:					
Donations and legacies	2	408,451	92,175	500,626	456,148
Charitable activities	3	102,885	-	102,885	99,680
Other trading activities	4	186,935	6,928	193,863	261,766
Investments	5	639	-	639	247
Total income		**698,910**	**99,103**	**798,013**	**817,841**
Expenditure:					
Cost of raising funds	6	8,865	3,800	12,665	39,971
Expenditure on charitable activities	7	735,249	241,364	976,613	1,108,295
Total expenditure		**744,114**	**245,164**	**989,278**	**1,148,266**
Net (expenditure) / income		**(45,204)**	**(146,061)**	**(191,265)**	**(330,425)**
Transfers between funds		23,345	(23,345)	-	-
Net movement in funds		**(21,859)**	**(169,406)**	**(191,265)**	**(330,425)**
Reconciliation of funds:					
Total funds brought forward		14,301	3,231,562	3,245,863	3,576,288
Total funds carried forward	16	**(7,558)**	**3,062,156**	**3,054,598**	**3,245,863**

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

The notes on pages 18 to 35 form part of these financial statements

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

COMPANY NUMBER: 03345162

BALANCE SHEET AS AT 31 MARCH 2024

	Note		2024 £		As restated 2023 £
Fixed Assets					
Intangible assets	12		-		-
Tangible assets	13		3,076,462		3,226,902
			3,076,462		3,226,902
Current assets					
Debtors	14	84,318		81,877	
Cash at bank and in hand		57,654		34,447	
		141,972		116,324	
Liabilities					
Creditors: amounts falling due within one year	15	(163,836)		(97,363)	
Net current assets			(21,864)		18,961
Total net assets			3,054,598		3,245,863
The funds of the charity:					
Restricted funds	16		3,062,156		3,231,562
Unrestricted funds	16		(7,558)		14,301
Total funds			3,054,598		3,245,863

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small company's regime.

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

Approved by the trustees on and signed and authorised for issue on their behalf by:

17/12/2024 | 09:50 GMT

Emma Adair

E Adair
Chair of Trustees

The notes on pages 18 to 35 form part of these financial statements

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £	As restated 2023 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	18	22,568	4,943
Cash flows from investing activities:			
Bank interest		639	247
Purchase of tangible fixed assets		-	-
Net cash used in investing activities		639	247
Change in cash and cash equivalents in the reporting period		23,207	5,190
Cash and cash equivalents at the beginning of the period		34,447	29,257
Cash and cash equivalents at the end of the reporting period	19	57,654	34,447

The notes on pages 18 to 35 form part of these financial statements

1 Accounting policies

General information

The Charity is a company limited by guarantee and was incorporated in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The number of members in 2024 were 24 (2023: 24). The registered office is Drury Lane, Wakefield, West Yorkshire, WF1 2TE. The registered company number is 03345162 and the registered charity number is 1063671.

1.1 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Creative Art House 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. The financial statements are prepared under the historical cost convention in £ sterling, which is the functional currency of the charity, and rounded to the nearest £1.

1.2 Going concern

In a challenging economic landscape, maintaining financial stability is crucial. The Trustees are confident in The Art House's going concern status, bolstered by a comprehensive Business Plan that extends through 2027. This plan outlines clear strategic goals, milestones, and contingencies to mitigate potential financial risks and ensure continued resilience. Our forward-looking approach is built

We have also received invaluable backing from Arts Council England, alongside other funding partners and private pledges, which have played a pivotal role in stabilising our financial position. The Trustees remain proactive in pursuing new partnerships and funding opportunities, seeking collaborations with organisations that align with our vision for community impact and artistic growth. The Trustees are committed to closely monitoring financial performance, regularly reviewing income generation strategies, and implementing effective cost management to safeguard the charity's future.

The adoption of a rigorous risk management plan further reinforces our going concern status. This plan includes regular assessment of operational and financial risks, ensuring that appropriate controls are in place to address potential challenges swiftly. Our collaboration with external accountancy professionals provides an additional layer of assurance, subjecting our financial plans to thorough scrutiny and expert validation.

Based on the strong foundations established and the proactive measures in place, the Trustees have determined that it is appropriate to prepare the financial statements on a going concern basis. This careful approach underscores our commitment to the sustainability and growth of The Art House, enabling us to continue serving our artists and community with confidence.

1 Accounting policies (continued)

1.3 Fund accounting

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

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

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

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

1 Accounting policies (continued)

1.6 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 institution with whom the funds are deposited.

1.7 Taxation

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

1.8 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on the following basis:

Website	- 33% straight-line

1.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Long-term leasehold property	- over the length of the lease
Short-term leasehold property	- over the length of the lease
Fixtures and fittings	- 15% per annum straight line
Office equipment	- 15% per annum straight line
Computer equipment	- over 3 years straight line
Art work pieces	- 15% per annum straight line

Leasehold land is not depreciated.

In the year of acquisition computer, office equipment, fixtures and fittings are depreciated from the start of the year.

1 Accounting policies (continued)

1.10 Debtors

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

1.11 Cash at bank and in hand

Cash at bank and 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.

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.13 Financial instruments

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

1.14 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.15 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.16 Employee benefits

The costs of short term employee benefits are recognised as an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.17 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2 Income from donation, grants and legacies

	Unrestricted 2024 £	Restricted 2024	Total 2024 £
Donations			
Donations including gift aid	1,965	-	1,965
Grants			
Arts Council England - Core Grant	221,633	-	221,633
Arts Council England - Culture Recovery and Capital	1,250	-	1,250
Wakefield Council Grant	85,000	-	85,000
Paul Hamlyn Grant	40,000	-	40,000
Other grants	58,563	92,175	150,738
Membership fees	40	-	40
Total	408,451	92,175	500,626

Income from donation, grants and legacies (prior year)

	Unrestricted 2023 £	Restricted 2023	Total 2023 £
Donations			
Donations including gift aid	208	-	208
Grants			
Arts Council England - Core Grant	251,633	-	251,633
Arts Council England - Culture Recovery and Capital	5,000	-	5,000
Wakefield Council Grant	50,000	-	50,000
Paul Hamlyn Grant	40,000	-	40,000
Other grants	32,088	75,052	107,140
Membership fees	2,167	-	2,167
Total	381,096	75,052	456,148

3 Income from charitable activities

	Unrestricted Funds 2024 £	Unrestricted Funds 2023 £
Provision of art facilities	102,885	99,680

Provision of art facilities	2024 £	2023 £
Studio rental	48,530	50,428
Studio service charge	7,248	6,984
Studio virtual	1,444	1,510
Studio other	3,027	-
Print room	19,920	20,881
Dark room	3,727	6,824
Ceramic Studio	18,989	13,053
	102,885	99,680

4 Income from other trading activities

	Unrestricted 2024 £	Restricted 2024 £	Total 2024 £
Room hire and flat	25,100	320	25,420
Off-site management	110,681	-	110,681
Contracts for services	1,767	3,293	5,060
Other income	4,289	2,637	6,926
Other public courses	12,981	-	12,981
Coffee House	25,217	678	25,895
Shop income	6,900	-	6,900
	186,935	6,928	193,863

Income from other trading activities (prior year)

	Unrestricted 2023 £	Total 2023 £
Room hire and flat	25,119	25,119
Off-site management	132,184	132,184
Contracts for services	42,362	42,362
Other income	17,281	17,281
Coffee House	34,885	34,885
Shop income	9,935	9,935
	261,766	261,766

5 Investment income	Unrestricted 2024 £	Unrestricted 2023 £
Bank interest	639	247

6 Raising funds

	Total Funds 2024 £	As restated Total Funds 2023 £
Fundraising	10,127	38,080
Marketing	2,538	1,891
	12,665	39,971

During the year, total expenditure on raising funds was £12,665 (2023: £39,971) of which unrestricted expenditure amounted to £8,865 (2023: £31,497) and restricted expenditure amounted to £3,800 (2023: 8,474).

7 Expenditure on charitable activities

Summary by fund type	Total 2024 £	As restated Total 2023 £
Provision of art facilities	976,613	1,108,295

During the year, total expenditure on charitable activities was £976,613 (2023: £1,108,295) of which unrestricted expenditure amounted to £735,249 (2023: £856,959) and restricted expenditure amounted to £241,364 (2023: 251,336).

8 Analysis of expenditure by activities

	Direct costs 2024 £	Support costs 2024 £	Total 2024 £	As restated Total 2023 £
Provision of art facilities	785,801	190,812	976,613	1,108,295
Total 2023 (as restated)	878,316	229,979	1,108,295	

8 Analysis of expenditure by activities (contined)

Analysis of direct costs

	Total Funds 2024 £	As restated Total Funds 2023 £
Staff costs	330,393	363,715
Other staff costs	804	1,801
Depreciation	150,440	154,062
Artistic programme costs	33,135	29,834
Other project costs	160,567	183,464
Coffee House costs	15,048	20,546
Shop costs	2,634	2,690
Premises costs	69,935	105,180
Marketing	22,845	17,024
	785,801	878,316

Analysis of support costs

	Total Funds 2024 £	As restated Total Funds 2023 £
Staff costs	87,291	104,901
Office costs	38,392	43,120
Professional fees	46,657	45,211
Governance costs	18,472	36,747
	190,812	229,979

9 Auditors remuneration

	2024 £	2023 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	12,500	15,000

10 Staff costs

	2024 £	2023 £
Wages and salaries	394,427	436,586
Social security costs	16,572	23,690
Contribution to defined contribution pension schemes	6,685	8,340
	417,684	468,616

10 Staff costs

The average number of persons employed by the charity during the year was as follows:

	2024 No.	2023 No.
Employees	24	28

No employee received remuneration amounting to more than £60,000 in 2024 (2023: none).

Key management consist of the CEO and Artistic, Programme, Admin and Finance Directors. The total remuneration including employer's NI and pension attributable to the senior management team for the year was £114,653 (2023: £144,088).

11 Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023: £nil).

During the year, no Trustee expenses have been incurred (2023: £nil).

12 Intangible assets

	Website £
Cost	
At 1 April 2023	9,503
At 31 March 2024	**9,503**
Amortisation	
At 1 April 2023	9,503
At 31 March 2024	**9,503**
Net book value	
At 31 March 2024	-
At 31 March 2023	-

13 Tangible fixed assets

	Long-term leasehold property £	Short-term leasehold property	Fixtures and fittings £	Office Equipment £	Computer Equipment £	Other fixed assets	Total £
Cost or valuation							
At 1 April 2023 (as restated)	2,554,816	2,346,768	210,989	61,207	53,378	9,160	5,236,318
At 31 March 2024	**2,554,816**	**2,346,768**	**210,989**	**61,207**	**53,378**	**9,160**	**5,236,318**
Depreciation							
At 1 April 2023 (as restated)	988,387	788,367	127,015	44,956	51,531	9,160	2,009,416
Charge for the year	22,253	103,893	18,653	4,715	926	-	150,440
At 31 March 2024	**1,010,640**	**892,260**	**145,668**	**49,671**	**52,457**	**9,160**	**2,159,856**
Net book value							
At 31 March 2024	1,544,176	1,454,508	65,321	11,536	921	-	3,076,462
At 31 March 2023	1,566,429	1,558,401	83,974	16,251	1,847	-	3,226,902

14 Debtors

	2024	2023
	£	£
Trade debtors	52,789	26,235
Prepayments and accrued income	31,529	55,642
	84,318	81,877

15 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	61,239	47,249
Other taxation and social security	34,547	10,695
Other creditors	21,407	9,966
Accruals and deferred income	46,643	29,453
	163,836	97,363

Deferred income

	2024	2023
	£	£
Resources deferred during the year	20,964	-
	20,964	-

Deferred income relates to off-site rent, services charges and room hires received in advance.

16 Funds summary

Statement of funds - current year

Unrestricted funds	As restated Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
General funds					
General funds	14,301	698,910	(744,114)	23,345	(7,558)
Total unrestricted funds	14,301	698,910	(744,114)	23,345	(7,558)
Restricted funds					
ACE Capital Funding (CapEx Grant)	73,002		(12,756)	-	60,246
Capital Project - Drury Lane	1,543,573	-	(18,862)	-	1,524,711
Capital Project - Carnegie Library	1,480,766	-	(98,718)	-	1,382,048
Library lease	77,633	-	(5,176)	-	72,457
Creative Minds Talk and Draw	-	-	(1,031)	1,031	-
Creative Minds Outside In	-	3,000	(2,891)	(109)	-
Leeds Hospital Charities (NHS)				-	
Re-Emerge	24,786	1,650	(27,608)	1,172	-
Historic England	11,035	10,117	(21,152)	-	-
Nova Grant	16,967	-	(165)	(16,802)	-
Foyle Foundation	3,800	-	(3,800)	-	-
Big Give Fundraising	-	1,750	-	-	1,750
Happy Healthy Holidays	-	12,449	(6,254)	(6,195)	-
Haribo Fund - Artwalk	-	4,987	(2,487)	(2,500)	-
Nova Wakefield	-	49,390	(30,263)	-	19,127
Seaglass Uni	-	8,852	(7,228)	-	1,624
Skillshare	-	198	(5)	-	193
Wild Escape Project	-	2,930	(2,961)	31	-
Unlimited Grant	-	3,780	(3,807)	27	-
Total restricted	3,231,562	99,103	(245,164)	(23,345)	3,062,156
Total funds	3,245,863	798,013	(989,278)	-	3,054,598

16 Funds summary (continued)

Statement of funds - prior year

Unrestricted funds	As restated Balance at 1 April 2022 £	Income £	As restated Expenditure £	Transfers in/out £	As restated Balance at 31 March 2023 £
General funds					
General funds	145,444	742,789	(896,930)	22,998	14,301
Total unrestricted funds	145,444	742,789	(896,930)	22,998	14,301
Restricted funds					
ACE Capital Funding (CapEx Grant)	85,758	-	(12,756)		73,002
Capital Project - Drury Lane	1,562,435	-	(18,862)	-	1,543,573
Capital Project - Carnegie Library	1,579,484	-	(98,718)	-	1,480,766
Library lease	82,809	-	(5,176)	-	77,633
Creative Minds BAME Project	1,078	-	(1,078)	-	-
Leeds Hospital Charities (NHS) Re-Emerge	60,162	720	(36,096)	-	24,786
Historic England	26,655	18,427	(21,980)	(12,067)	11,035
Light up grant	4,725	-	(4,725)	-	-
Creative Minds Talk and Draw	3,222	-	(3,222)	-	-
Tourism Recovery Grant	7,116	-	-	(7,116)	-
Nova Grant	17,400	-	(433)	-	16,967
Foyle Foundation	-	27,000	(23,200)	-	3,800
Mayors Fund	-	5,897	(2,082)	(3,815)	-
SOS - UK Community Renewal Fund	-	15,211	(15,211)	-	-
Permindar Kaur - Arts Council	-	7,797	(7,797)	-	-
Total restricted	3,430,844	75,052	(251,336)	(22,998)	3,231,562
Total funds	3,576,288	817,841	(1,148,266)	-	3,245,863

ACE Capital Funding (CapEx Grant)
To provide support in the maintenance and upkeep of The Art House Building and upgrading for re-positioning and sustainability.

Capital Project - Drury Lane
Funded by grants from the Arts Council Lottery and others towards the cost of developing a permanent home for the charity. The fund balance represents the cost of initial planning, leasehold land, professional fees, construction and equipment in relation to The Art House Building, less depreciation charged.

Capital Project - Carnegie Library
Funded primarily by grants from the Arts Council Lottery towards the costs of developing the Carniegie Library into an extension to the Art House Building. The initial professional fees and project set up costs ahead of the construction phase have been written off to revenue. £50,000 of the charity's reserves have been put towards the project.

Library lease
This is a 25 year lease from Wakefield Metropolitan District Council for use of the Carnegie Library. The lease was signed in January 2014 and depreciation has commenced from May 2015, on completion of the building.

16 Funds summary (continued)

Mayors Fund
Support for Afgani women and children

SOS - UK Community Renewal Fund
Grant to address barriers people face to participate in employment by developing soft skills in vulnerable adults in Wakefield

Creative Minds
Grant to support Arts and Health classes.

Creative Minds BAME Project
Funding for Afghan Families Project

Leeds Hospital Charities (NHS) Re-Emerge
Grants to fund Arts & Health activities to support post Covid mental health recovery

ACE Culture Recovery Fund
Grant to support the charity during covid related restrictions

Nova Grant
Mental heath and Early years support agreement

Tourism Recovery Grant
Covid Recovery Project

Creative Minds Talk and Draw
Interactive workshop for Asylum seekers, refugees and the local community of all age groups

Light up grant
Grant to commission a light projection piece for the exterior of the building for the councils light up festival. Grant used to support school workshops making lanterns & a lantern parade at Edgeland Arts

Historic England
Outreach to ownership- research funding to assess the impact of our Makey Wakey (offsite studios) project

Permindar Kaur - Arts Council
Funds received which are to be incorporated into Permindar Kaur's residency.

Foyle Foundation
Development of 'Well Placed' off site project and exploring other sustainable income streams. Funded by the Foyle Foundation.

Big Give Fundraising
A public driven fundraiser to support Artwalk (a bi-monthly creative event across the city) and contribute towards the running costs of the project. Crowd funding managed by 'Big Give'.

Happy Healthy Holidays
School holiday programme of free workshops, activities and healthy food for children and young people. Funded by the Government's Department for Education, managed via Wakefield Council.

Haribo Fund - Artwalk
Creative workshops for intergenerational local families and members of TAH's Studio of Sanctuary (work with refugees and asylum seekers) Funded by Haribo Community Foundation.

Nova Wakefield
Creative health work with perinatal women including art therapy and community group work. Funded by NOVA Wakefield.

Seaglass Uni
6 week creative heath course co researched by participants and practitioners and project staff working with adoptive parents. Funded by University of Sheffield via Seaglass Creative.

16 Funds summary (continued)

Skillshare
A weekly session encouraging community cohesion between refugees and asylum seekers and the settled community in Wakefield.

Wild Escape Project
Artfund project inspiring young people and children to engage with nature through work with local museums and galleries. Delivered March/April 2023. Funded by Artfund.

Unlimited Grant
Funding to support an artist commission by Unlimited. Support delivered by The Art House included accommodation, delivery of workshops and support for artists to participate in the work.

Transfers
Transfers to unrestricted funds are made where the conditions on the restricted funds have been fully met

17 Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds £	Restricted funds £	Total funds 2024 £
Tangible fixed assets	37,000	3,039,462	3,076,462
Current assets	119,278	22,694	141,972
Creditors falling due in less than one year	(163,836)	-	(163,836)
	(7,558)	3,062,156	3,054,598

Analysis of net assets between funds - prior year

	Unrestricted funds £	Restricted funds £	As restated Total funds 2023 £
Tangible fixed assets	51,928	3,174,974	3,226,902
Current assets	59,736	56,588	116,324
Creditors falling due in less than one year	(97,363)	-	(97,363)
	14,301	3,231,562	3,245,863

18 Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	As restated 2023 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(191,265)	(330,425)
Adjustments for:		
Depreciation charges	150,440	154,062
Amortisation charges	-	-
Bank interest	(639)	(247)
(Increase)/decrease in debtors	(2,441)	215,570
Increase/(decrease) in creditors	66,473	(34,017)
Net cash provided by/(used in) operating activities	22,568	4,943

19 Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand	57,654	34,447
	57,654	34,447

20 Analysis of changes in net debt

	At 1 April 2023	Cash flows	At 31 March 2024
Cash at bank and in hand	34,447	23,207	57,654

21 Pension commitments

The Charity operates one defined contribution pension scheme. The assets of the schemes are held separately from those of the Charity in independently administered funds. The total pension cost charge represents contributions payable by the Charity to the funds and amounted to £6,685 (2023: £8,340). Contributions totalling £7,967 (2023: £1,609) were payable to the scheme at the balance sheet date and are included in creditors.

22 Operating lease commitments

At 31 March 2024, the charity had commitments to make future minimum lease payments under non cancellable operating leases as follows:

	2024	2023
	£	£
Not later than 1 year	-	138
Later than 1 year and not later than 5 years	-	-
	-	138

23 Prior year adjustment

ACE Capital Fund
During the year it came to the trustees attention that certain expenditure in relation to the ACE Capital Fund had been incorrectly treated as an expense in the statement of financial activities, rather than being treated as a fixed asset on the balance sheet. This expenditure was also linked to a restricted grant.

As a result of the above, during the year to 31 March 2022, £30,249 of expenditure has been reallocated to fixed assets with a charge of £3,802 being made to deprecation. This has resulted in an increase in total funds of £26,447 as at 31 March 2022. Furthermore, a reclassification of £104,669 has been made between funds, increasing restricted funds and decreasing general funds to correctly reflect the net book value of the restricted fixed assets held under the ACE Capital fund.

During the year to 31 March 2023, an adjustment has then been made to charge £5,205 of depreciation to the statement of financial activities, that being the depreciation on the expenditure not previously capitalised under the ACE Capital Fund. This has resulted in a decrease in total funds of £5,205 as at 31 March 2023. Furthermore, a reclassification of £12,566 has been made between funds, decreasing restricted funds and increasing general funds, this was to reallocate the depreciation previously charged on the capital spend under the ACE Capital Fund, which was previously treated as unrestricted.

Reclassification
During the year it also came to the trustees attention that certain expenditure in the year to 31 March 2023 had been incorrectly classified as 'Raising funds' rather than 'expenditure on charitable activities'. Therefore, £298,978 previously classified as 'Raising funds' as been transferred to 'expenditure on charitable activities'. This reclassification does not effect the overall total funds balance.

Depreciation
During the year it also came to the trustees attention that £288,000 of the cost of the long term leasehold property was incorrectly not being deprecated. Therefore, an adjustment has been made to increase accumulated deprecation by £49,455 as at 31 March 2022. The result being that funds bought forward at 1 April 2022 have been decreased by £46,545.

During the year to 31 March 2023, an adjustment has then been made to charge £2,909 of depreciation to the statement of financial activities.The result being a decrease in total funds of £2,909 as at 31 March 2023.

24 Related party transactions

During the period, S Thornbury, Chief Executive, was reimbursed expenditure totalling £1,643 (2023: £777). There were no amounts outstanding at the year end (2023: £nil).

During the period, Trustee, Adrian Brooks, made a donation to the charity of £45,000 (2023: £nil).

There were no other related party transactions that took place in the period (2023: £nil).

THE CREATIVE ART HOUSE

England & Wales - Charity number 1063671

Accounts

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Registered number: 03345162
Charity number: 1063671

THE CREATIVE ART HOUSE
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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THE CREATIVE ART HOUSE
(a company limited by guarantee)

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THE CREATIVE ART HOUSE
(a company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Trustees	E Adair, Chair (appointed 24 February 2023) C A Wills (resigned 23 February 2023) A Asres A Brooks (appointed 10 March 2023) J Curran (appointed 10 March 2023) E Wood (resigned 23 February 2023) T Raabe-Webber (resigned 1 February 2023) B Esapathi S Hansom (resigned 23 February 2023) J Cooke (resigned 23 February 2023) M Faull (resigned 23 February 2023)
Chief executive	S Thornbury
Company registered number	03345162
Charity registered number	1063671
Registered office	The Art House Drury Lane Wakefield WF1 2TE
Independent auditors	Saffery LLP Chartered Accountants Mitre House North Park Road Harrogate HG1 5RX
Bankers	Unity Trust Bank plc 4 Brindley Place Birmingham B1 2HB
Solicitors	Hempsons The Exchange Station Parade Harrogate HG1 1 DY

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THE CREATIVE ART HOUSE
(a company limited by guarantee)

INTRODUCTION FROM THE CHAIR FOR THE YEAR ENDED 31 MARCH 2023

As the interim chair of trustees of The Art House, I am pleased to present our annual accounts for the year ended 31 March 2023. These accounts provide a comprehensive overview of our financial performance, governance, and achievements in delivering our charitable objectives.

Accounts submission is an opportunity for us to demonstrate our accountability, transparency and impact to our stakeholders, funders and the public. We are committed to ensuring that our accounts are prepared in accordance with accounting standards, regulations and best practice.

The accounts consist of two main parts: the trustees' report and the financial statements. The trustees' report explains our vision, mission, values, strategy, activities, outcomes, and challenges in the past year. It also highlights our plans and priorities for the future. The financial statements show our income, expenditure, assets, liabilities, and reserves in detail.

We are very grateful to our employees, volunteers, partners, donors and beneficiaries for their invaluable contributions and support throughout the year. Without them, we would not be able to achieve our mission. We hope that you will find our accounts informative and inspiring, and that you will continue to support us in our endeavours.

DocuSigned by:
Emma Adair
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Emma Adair, Chair of Trustees, The Art House

30 January 2024

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TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the charity for year 1 April 2022 to 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The prime objectives of the organisation are to enable disabled and non-disabled visual artists to access opportunities to develop their creative practice, in an inclusive and accessible environment, through:

1. Providing accessible creative workspace
2. Supporting artists to develop their practices, reach new audiences and cultivate wider networks.
3. Actively promoting and establishing equality in the visual arts for disabled and non-disabled artists.
4. Providing residencies, exhibitions, training, membership and one to one advice.

The Art House (TAH) is an organisation working towards equal access for ALL artists, focused on identifying, highlighting and removing physical, philosophical, educational, social and economic barriers for Visual Artists.

As such, we have expanded our work to include other marginalised artists and creative practitioners. For example, our Studio of Sanctuary programme is the first of its kind in the UK to provide free professional development, studio space and pastoral support for asylum seekers and refugee artists.

In addition, we are also highly committed to using arts and creativity to engage and empower the people of Wakefield. As such, we have opened the organisation out to the community - providing a range of social impact projects, Arts and Health Programmes, public workshops and events, and educational programmes for children and young people. We are the first Studio of Sanctuary in the country working with People Seeking Asylum and we are also deeply committed to developing Placemaking in our Community, the Government's Levelling Up objectives and activating strong place partnerships through managing a series of interim-use spaces under our Makey Wakey and Salford Loading programmes.

We work with the council and local businesses to help regenerate Wakefield through arts, culture, and the creative industries.

b. Activities undertaken to achieve objectives

The Art House buildings feature excellent levels of access and include 45 studio spaces for artists, makers, and creative businesses. We also have three well-equipped, accessible and staffed maker spaces (print studio, ceramics studio and darkroom), 4 meeting rooms, two gallery spaces (which double as events spaces), a learning space, residency accommodation, a coffee house, shop, and an outdoor terrace and container garden.

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Through its Artistic Programme, The Art House provides time, space and support for artists to develop their work and connect with audiences through:

- Residencies and artist commissions
- Artist Mentoring
- Artist-led sharing of best practice
- Physical and virtual exhibitions, workshops and events
- Studio holder community activities, events and support

Our Social Impact and Public Engagement Activities include:

- Producing the bi-monthly Artwalk, Wakefield's longest-running free cultural festival
- Being the first 'Studio of Sanctuary' in the UK for artists and makers who are seeking asylum
- Arts and Health programmes
- Producing special events and festivals
- Providing interim use space for artists, charities and community groups through our Makey Wakey and Salford Loading projects
- Paid for and free Workshops and courses in a wide range of art forms (including photography, ceramics, printmaking, painting and drawing, and jewellery, for the public and artists)
- Free holiday programmes for Children and Young People
- Our 'Adopt A School' programme with Lawfield Primary

The Trustees have considered the Charity Commission's general guidance on public benefit when reviewing the activities for the year. Further information on the activities which provided public benefit during the year is provided below.

Achievements and performance

a. Key performance indicators

The Charity's key financial performance indicators are based on targets set for:

Earned Income: income from studio occupancy, meeting and event space rentals, coffee house and shop sales, public and private workshops and courses, and contracts for services, as well as their related expenses.

Charitable Income: primarily from the Arts Council England NPO, as well as from other statutory or charitable sources and individual donors.

b. Review of activities

Despite facing extraordinary challenges and upheavals during the year, we were still able to deliver high quality and innovative programmes and services in 2022-23, further developing our pivotal role in the community, and our commitment to fostering and supporting diverse artistic talent and community well-being.

We are proud of our achievements, but our progress was hindered by significant organisational upheaval in the final quarter of the year, which began when we didn't receive an anticipated Arts Council England NPO award uplift. This, along with a large projected deficit at the end of the financial year which would eat up most of our reserves, resulted in conflicting views within the Board of Trustees over the way forward, and led to the resignation of 3 out of 5 Trustees in February 2023, including the Chair. This was noted in the narrative of the 2022 Accounts, which were filed very late

as a result and sadly included a material uncertainty in relation to Going Concern. As a result of the upheaval, and the significant delay in signing off and filing the 2022 accounts, the charity regretfully was also unable to hold our annual AGM. At the time of this writing (January 2024), the organisation has stabilised financially (more on this in the Future Plans section below) and the 2023 AGM is scheduled to be held on 29 Jan 2024.

Within this context, it is quite an achievement that The Art House welcomed 23,217 people through the door, a significant increase over the previous year, and our highest footfall to date. Of those: 5800 (25%) engaged in our learning, participation and/or social impact programmes; and 730 participated in our paid-for workshops (+59%) and 60 became Maker Space Members (+ 34%). In addition, Artist Residencies and Exhibitions involved 33 artists, with 92% of them being either disabled or traditionally marginalised because of other protected characteristics. Makey Wakey, our interim-use space management project directly impacted 3400 participants and supported the development and sustainability of 7 social enterprises, 5 charities, and 5 individual artists. There is no understating the importance that the Civic Arts Award from The Couleste Gulbenkian Foundation has been for us this year. Aside from developing our profile and relationships, the grant money enabled us to not only grow two important areas of our social impact work, the Studio of Sanctuary and Makey Wakey, but also to help us develop long term funding sources for them. The staff at the Foundation were also incredibly supportive and understanding during such a difficult year, for which we are grateful.

We have learned a tremendous amount as a result of this year, including:

- The Art House's significance in the community and potential leadership role in local Placemaking.
- Dedication, resilience, and passion of staff and studio holders.
- Importance of Board Members having change management and commercial business experience.
- Caution against growing services faster than internal capacity.
- That we need to leverage our experience in Placemaking, Civic Impact and Community Regeneration for income generation, because the overall economic landscape for arts and cultural organisations over the next few years will be the toughest it's ever been.

Business Developments and New Initiatives

The following section covers activities that generate Earned Income, as well as staffing and Trustees.

Makey Wakey – Our interim-use space management and placemaking programme.

Total Income 2023: £120K Total Income: 2022 £77K

Impact:

- 59 space users (CICs, charities, artists, and community groups)
- 4,300 individual participants

In the 2022-2023 period, Makey Wakey in the Ridings Shopping Centre experienced substantial growth, expanding its spaces from 19 to 21. Hosting a diverse array of long-term and pop-up space users, such as LGBTQ+ safe space "Our House" and Star Bereavement, the collective engaged in various activities, including Turning Point 121 sessions and a collaboration with Leeds Arts University's BA Photography course.

A significant milestone during this time was the launch of Salford Loading, a partnership with Peel Holdings Ltd at Quayside Mediacity, the first time we have expanded the model outside of Wakefield. In September 22 TAH took leases on 3 spaces within the centre, by March 23 we had 6 spaces being used by 4 different CICs and artists. We were unsure if we could have the same deep impact outside of Wakefield; however, with the bringing on of a Salford-based project assistant, the results have been as strong, have raised interest with other Landlords and have convinced us that we could roll this out as a national model. As such, we have begun to create a plan to expand to 10 sites across the country.

We also successfully executed a funded research project for Historic England in order to research the impact of Makey Wakey, "Outreach to Ownership," featured community workshops, a research report, films, 360 scans, and a collaborative sculpture and provided us with great insight such as:

- *88% of organisations and visitors felt a positive change in the atmosphere at the shopping centre since the start of the scheme*
- *97% of participants are visiting other commercial spaces, generating additional spend.*

Feedback from users includes

> *"Makey Wakey provided an immediate answer to a question of whether founding an arts collective and studio was sustainable in Wakefield. It gave me confidence and support that I needed to take advantage of opportunities – turning a short-term project into a more sustainable, impactful vision, which continues to grow. The close contact with Lucy has meant I'm constantly learning and evolving ideas, with support and guidance that I doubt I'd find elsewhere."* MW space user (anon survey)

> *"We've noticed a significant decrease in anti-social behaviour in the Mall since 'Innit 4 Young People' came in as part of Salford Loading. The young people in our centre who were previously throwing stones from car parks and biking in the mall are now settled and have a space where they can just be and are welcome"* – Anthony Lyle, Media City Tenant Manager

Maker Spaces - The Maker Spaces drive both earned income through classes, courses and memberships and charitable income through community engagement workshops. This section deals with the Maker Spaces Earned Income strands – Memberships, Open Access Hours and Creative Away Days.

Total Income 2023: £51K **Total Income 2022: £30K**

Impact:

- Workshop participants: 580
- Creative Away Days: 10 (150 participants)
- Educational Org Workshops: 9 (168 participants)
- Memberships: 59
- Open Access Provision: 1,677hrs

For the Maker Spaces 22-23 was the first full year we have offered memberships and courses in Ceramics and Darkroom Photography, as well as our already established Printmaking Studio. It is also the first *full* financial year of activity since the pandemic restrictions were completely lifted. Highlights include:

- Pilot public programme of children's weekend and holiday workshops (paid for places)
- Increase in number of workshop & course participants (13% increase from previous year)
- Successful launch of creative away days and learning programme/educational sessions
- Increase in memberships across all Maker Spaces, and an increase in studio usage

Workshops, Away Days, Educational Groups	Sessions	Participants
Adult workshops & courses (Public Programme)	85	490
Children's workshops & courses (Public Programme)	15	90
Private workshops/creative away days	10	150
Learning Programme/Educational Groups	9	168
TOTALS	**119**	**898**

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Memberships and Open Access Hours	Total start	Total end	Hourly usage
Print Studio	35	49	828
Ceramic Studio	1	5	373
Darkroom	4	5	58.5
Darkroom 1-to-1 sessions (non-members)	-	-	45
Resident Artists	-	12	373
TOTALS	**40**	**71 members**	**1,677 hours**

Coffee House/Shop/Space and Event Bookings

Total Income 2023: £70K Total Income: 2022 £41K

Income from all areas grew during the year, although we are still seeking ways to increase income from our Coffee House. Space and Event Bookings are returning post-pandemic and we see this as an area of continuing growth for the charity in the future. All three income strands make up our Commercial Trading (as opposed to Mission-Related Trading) and are highly integrated (staff are shared across for customer support as well as catering). In addition, the Commercial Income staff also supplements our Front of House Receptionist role.

Staff

As mentioned in the previous year's accounts, our staffing requirements increased due to the increased amount of work the organisation was delivering. With the financial constraints and organisational upheaval of the last quarter, staff were put in the very stressful position of having to face downsizing plans and redundancies. In the end, with the establishment of the new Trustees, wide-spread redundancies were avoided through staff volunteering to reduce their hours for the 2023-24 financial year. The CEO was off on sick leave during Jan-Feb due to stress, but returned in March 2023. Jen Garrick, our Marketing Director since 2018 left the organisation in March of 2023. We thank her deeply for her contribution to the growth of The Art House during her time here and wish her the best of luck for the future.

Trustees

As mentioned, this was a difficult year for the Trustee Board. A very acrimonious period ensued from November 2022 to March 2023 which resulted in the resignation of 5 Trustees, including the then Chair. Three new Trustees stepped in to fill the gap, with Emma Adair taking on the Interim Chair role and with governance guidance from solicitors at Bates Wells. Two consultants from Arts Council England (ACE) undertook a governance review from March -July 2023 which laid out a series of recommendations, and an action plan for Trustees was developed. These actions have been being carried out over the 2023-24 financial year and at the time of writing (Jan 2024), governance has significantly improved, the Trustee board is stable with four highly experienced and skilled Trustees, and a recruitment strategy for additional Trustees (including a permanent Chair, Treasurer and Secretary) is happening in Feb/March, with a view to new Trustees joining the board in May 2024.

Artistic Programme

2022-23 saw us host our most ambitious artistic programme to date, working with 33 artists either through residencies or exhibitions. We held 15 exhibitions on-site and 7 exhibitions off site highlighting the work of disabled or other traditionally marginalised artists, alongside diverse international voices, with approx. 53,000 exhibition viewings across all projects.

One highlight was the major presentation of new work by internationally acclaimed artist Permindar Kaur – who has a career spanning three decades. The success and positive response to the show helped to raise The Art House's profile and reputation amongst other art world peers.

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Another exhibition highlight celebrated the work of Mohammad Barrangi, who was one of our first Studio of Sanctuary artists, and whose success is rapidly increasing both in the UK and Internationally. *Dreamland,* Mo's most comprehensive solo exhibition to date, marked the first time the Iranian-born artist translated his evocative illustrations into sculpture, which was developed using pioneering 3D-printing technology with the support of XPLOR, Production Park's state-of-the-art research and innovation centre for entertainment technology and production, based in Wakefield.

The third notable show was the first solo exhibition by Nigerian artist Samuel Nnorom, *The Politics of Immigration*. This followed the artist's 2022 residency at The Art House. Samuel has since been awarded the Art for Change prize by M&C Saatchi Group, achieved gallery representation, and has had work acquired by the Saatchi Gallery.

A major partnership project saw us work with The Hepworth Wakefield and internationally renowned photographer Hannah Starkey to present an exhibition of new work by a group of Yorkshire-born or based female and non-binary photographers. TAH worked with seven artists to stage a group exhibition that included a much wider dialogue on the importance of creating stages for female and non-binary practitioners. *Reframing, Reclaiming* featured newly commissioned work developed through a professional development programme with Starkey. The presentation of this exhibition coincided with the major exhibition *Hannah Starkey: In Real Life* at The Hepworth Wakefield.

In total, the 15 exhibitions we held onsite included:

- Mohammad Barrangi: *Dreamland*
- Rob Broad: *My North*
- Alabamathirteen *[on becoming a ghost]*
- Helen Thomas, Alison Critchlow and Natalie Dowse: *Conversations With Nature*
- Disabled Photographer's Society group exhibition
- Hang Zhang: *Through the Party Ring*
- 20:20 print exchange exhibition
- Amy D'Agorne | Caitlin Hall | Emily Ryalls | H.Feather | Joanne Coates | Níamh Donnelly | Sally Barton: *Reframing, Reclaiming*
- Permindar Kaur: *Outgrown*
- Sam Metz: *Making Solid – Unpredictable Bodies*
- Summer's Cool - A celebration of work produced by young artists across the Wakefield District.
- Re-emerge – An exhibition of work of participants from our Arts and Health programme.
- *An Intro To* - Rachel Craddock, Niamh Donnelly, Michaela Lesayová, Eve Finlay Mille, Rachel Richardson, Emily Ryalls, Luke Thompson, Ellie Way, Hannah Way, Kirstie Williams
- Samuel Nnorom: *The Politics of Immigration and Integration*
- Create Together: An Exhibition by Seaglass Collective – an exhibition of work by adopted children and young people.

We also staged *Loose Screw Film Festival*, a brand-new film festival around themes of mental health/illness, supporting 4 artists who had created new films, and produced a further 7 off-site exhibitions and projects:

- Rob Broad: My North – public realm photo walk
- Grace Clifford: *Going Up in the World*
- CUTTER/NASH (Gareth Cutter and Gemma Nash) – Digital / online
- Bijan Amini-Alavijeh: Harmony is Centra
- Permindar Kaur, Ranya Abdulateef and Ifa Abebe: *Dream Runner*
- *This Must be the Place:* A group exhibition with Zoë Carlon, Gordon Dalton, Jessie Davies, Roger Gardner, Jonathan Hooper, Jake Mullins, Jen Orpin, Viv Owen, Fleur Patrick, Mandy Payne, Narbi Price, Lisa V Robinson, Adam Stone, Helen Thomas, Judith Tucker, Tony Wade, Joanna Whittle, and Sean Williams
- Studio Vertigo: *Spin Me a Yarn.*

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We were proud to have supported 80 artists through solo or group exhibition programming, as well as hosting 9 residencies throughout the year:

- Michelle Baharier
- Callum Hill
- Sally Hirst
- Christopher Hanson
- Moi Tran
- Permindar Kaur
- Lauren Sanders
- Madhau Das
- Samuel Nnormm

Access and Diversity

Accessibility, diversity and equality are our founding principles and much of our work in this area has been sector leading over the last 28 years. We know the arts have a vital role to play in modelling a diverse and inclusive society, especially for our local area which is 96% white British. We were proud to be rated 'Outstanding' in 2021 by Arts Council England for our focus on access and diversity: 'The Art House (TAH) continues to take a leading role in championing the Creative Case for Diversity across the sector.'

TAH have an advanced strategic approach to addressing barriers within the sector for artists from underrepresented backgrounds with a broad focus on inclusion and equalities (e.g. significant programmes around refugee and asylum seekers, visible disabilities, neuro-diversity and health agendas). TAH has pioneered the UK's first 'Studio of Sanctuary' to offer provision for refugee and asylum seekers. TAH are one of few disability accessible studio buildings, which supports talent with the delivery of residencies, international residencies, live/work, showcase exhibitions, artist talks, events and commissioning collaborations across the national cultural landscape, ensuring that diverse artists are presented and profiled.

Audiences, Social Impact and Engagement Work
TAH delivered our largest year of Social Impact and Engagement Work, particularly around our Studio of Sanctuary and the expansion of Makey Wakey.

Studio of Sanctuary
The Studio of Sanctuary is not just a programme, it's an ethos maintained and lived by The Art House. It has multiple strands, the two main ones being:

- Studio of Sanctuary Artists Residencies, where we provide free studio space and professional development support to Artists and Creatives who are in the Asylum system so that they can re-build their portfolios and create networks to enable them to work in the UK Creative Sector once they have right to remain

- Studio of Sanctuary Workshops – A range of creative workshops that bring together People Seeking Asylum, Refugees and Migrants with the wider Wakefield population, in order to integrate people into the community, dispel stereotypes, and create community cohesion.

We hosted 3 Studio of Sanctuary artists with Studios, professional development support, projects and exhibitions, including Mohammad Barrangi (see section on Exhibitions), Ranya Abdulateef and Bryan Mucheriwa

In addition, Ifa Abebe (who first started working with SoS when he was in Urban House Initial Accommodation Centre as an asylum seeker) and Ranya worked with noted artist Permindar Kaur on a collaborative piece 'Dream Runner' as part of Permindar's residency and exhibition at TAH. The piece was exhibited at Wakefield Cathedral.

Both Ifa and Ranya have also begun to lead Studio of Sanctuary Workshops. Ifa co-leads 'Talk and Draw' (Drawing and English Acquisition Workshop) with artist Barbara Carveth-Johnson, and Ranya works with both the Skillshare group (Traditional Crafts Workshops) and the Embroidery group. There were exhibitions of all of the group's work as well during Artwalk.

- Programme grew and engaged 2184 people, 586 of them being local and 1592 being asylum seekers or refugees.

In addition to the workshops above, the SoS team Supported NHS West Yorkshire Integrated Care Board to become a City of Sanctuary Health Partnership of Sanctuary, and also provided sign-posting and pastoral support for a number of individuals in the Asylum process.

Knowing that we wanted to embed and expand our SoS work, we applied to Paul Hamlyn for a three-year grant to support core costs from 2023-26, including permanent funding for an SoS Coordinator. We are delighted to say that we were successful with our application, and we are excited that we will be substantially building on this work in future.

'The Art House makes me feel like a real person who has something to offer'. Nara – Asylum Seeker from Mongolia

'This place is very, very good for my head and my hands' – Azib from Eretria (Azib is a grandmother and has very little English. Whilst living in Wakefield she was separated from her family and the Studio of Sanctuary was her safe haven. Azib received Leave to Remain and is now in London with her family.)

Arts and Health - Maternal Journal

The Arts and Health Programme, generously funded by NHS Charities Together, is dedicated to leveraging creativity for post-Covid recovery and enhanced wellbeing. The key project delivered under it has been 'Maternal Journal', which is a once-a-week creative journaling workshop for new mothers who are struggling with stress or their mental health. We work in partnership with the NHS Perinatal Mental Health Unit, and our evaluation partners are Sheffield University.

Over the year, 170 workshops were delivered to 164 people who attended multiple times. There were also two exhibitions showcasing the groups' work, as well as the creation of a zine.

Two exhibitions showcase participants' creative outputs, complemented by a zine and leaflet celebrating their impact. Additional funding from the University of Sheffield supports co-created projects, including a Festival of Social Sciences event. Detailed qualitative research, in partnership with the University of Sheffield, enriches program evaluation.

Participants express the profound impact, with a Maternal Journal participant stating,

"At journaling, you're not just someone's mum. You are an adult, an individual, someone creative, someone intelligent, someone with ideas. You have a story to tell, something to contribute. You have an identity."

Others emphasize the therapeutic nature of creative activities and the supportive environment fostered during the program.

We are thrilled to have been awarded an additional grant from the Wakefield Mental Health Alliance to continue and expand the Maternal Journal Project in 2024.

Maker Spaces – Free Programmes for Children and Young People

Summer S'cool Programme - Summer S'cool was a holiday programme funded by Wakefield Council where we delivered 46 sessions in 6 different venues in the Wakefield District, engaging 370 children in various practical art techniques. This allowed us the opportunity to link with other organisations, build more audiences and develop our expertise in working with these age groups.

Lawefield Primary School - Adopt a School Programme - We built on our work from the previous year to deliver sessions for Lawefield Primary School - providing invaluable opportunities for their pupils to attend sessions in our professional Maker Spaces. We delivered a total of 26 sessions, engaging 277 pupils and staff in printmaking, ceramics and textiles. Through discussion and reflection with staff at the school, we will continue to adapt and refine the programme for next year.

Artwalk
The Art House successfully coordinated six multi-venue Artwalk events between May 2022 and March 2023, featuring a variety of exhibitions, tours, film festivals, and collaborations with cultural organizations. The initiative aimed to celebrate and promote culture in Wakefield.

In total, over the year, Artwalk encompassed 94 exhibitions, 21 workshops, 9 performances, and 19 other events.

The number of participants, including artists, creatives, and community groups, increased from 334 in '21-'22 to 779 in '22-'23. The total number of events rose from 110 to 143. Visitor count across the six Artwalk events at The Art House reached 1564.

Program Highlights and Achievements:

- The Art House commissioned a new exhibition, "Grace Clifford: Going Up in the World," curated by Amy, across three spaces, including two new venues for Artwalk.
- Notable events included the Loose Screw Film Festival, a successful Big Give Christmas Challenge fundraising campaign, and exhibitions at Wakefield Cathedral and Westgate Chapel.

"We love the Artwalk and the creativity it injects into a Wednesday evening round Wakefield! The new and friendly faces that come down and participate and the fun the staff have putting on the events over the years has been phenomenal!" – **Nathan Birkinshaw, Host and Home**

"Artwalk has been a key part of my development as an artist, providing me with multiple opportunities to showcase my work to the public across the years. The support the team provide to artists is invaluable, and the night itself is a joy to be a part of, whether you're an artist or member of the public!" – **Beth Morgan, Artist**

"Being a part of Artwalk gave me the opportunity to do my most heartfelt and ambitious community project to date. It was amazing to have their funding and expertise to realise the project. It's made a huge difference to my art practice and made me more ambitious and confident than ever before." – **Saima Kaur, Artist**

Artwalk's ambitious and inclusive approach, as evidenced by its diverse program, expanding collaborations, and positive feedback, has solidified its position as a vital cultural event in Wakefield, fostering community engagement and supporting artistic development. We are grateful to the public for responding to our Big Give Christmas Challenge to help support the delivery of Artwalk during the final part of the 2022-23 financial year. Sadly, with negative outcomes to both our applications to ACE for an NPO and to Wakefield Council for Artwalk support, we are unable to continue to produce it in the 2023-24 year. We are looking at options and hope to find a way to continue it in the future.

Going concern

In the present economic circumstances, access to financial resources remains a challenge and we are grateful that The Art House continues to be supported by Arts Council England. However, the financial year 2022 to 2023 has been marked by persistent difficulties as a result of limited access to additional funding required to maintain the outstanding community resource that has been developed.

In spite of these difficulties, The Art House staff and Trustees have worked diligently to find solutions to implement our new Business Model, which aims to increase our financial sustainability and reduce our dependence on statutory funding. As a result of this effort, we have received additional support from Wakefield Council in the form of a one-off grant to enable transition to our new Business Model and we have also raised a substantial amount of money through private pledges. This has enabled The Art House to restore its financial stability.

The Trustees have decided to prepare the financial statements on a going concern basis. This decision is based on a new Business Plan that commences in 2024 and provides the strategic and business framework for The Art House's operational model. The new Business Plan runs until March 2027.

The cashflow forecast, a projection built on evidence-based assumptions, currently shows a positive cash balance and a healthy surplus being generated by the later months indicating that the charity is able to operate as a going concern.

The charity benefits from particularly agile funding, from both the Arts Council England and through committed private pledges. This funding can be drawn down at request, so where the Cashflow forecast projects a temporary shortfall funding can be drawn down in advance to offer additional headroom.

The trustees have also generated a stage-gated approach to development of a contingency plan, reducing outsourced specialist delivery at trigger points. The Trustees have taken a reasonable and prudent approach to this process, utilising an external accountancy firm to ensure robust challenge.

The Trustees also continue to explore opportunities to enhance the long-term sustainability of the Trust, including new areas of delivery and also current areas where financial performance can be improved. Reviews of delivery of services have already yielded savings, and this is a process that will continue if required.

Based on the above, the Trustees consider the going concern basis for The Art House to be appropriate.

Financial review

The Art House recorded a net deficit of £176,363 for the year, before transfers and depreciation. This result saw our free reserves of the charity at 31 March 2023 at a surplus of £4,106 after the deduction of unrestricted reserves held as fixed assets. This is below the stated aim of the reserves policy, which is £150,000. Total funds at 31 March 2023 are £3,274,075 (2022: £3,596,386) including restricted funds of £3,188,904 (2022: £3,372,720).

Reserves policy

In forming a reserves policy, the Trustees have regard to the financial impact of the principal risks as set out on pages 14 and 15. In particular:

- Not achieving income targets, especially in light of the possibility of economic downturn
- Unforeseen liabilities arising in relation to building running costs, especially in regards to rising energy prices, maintenance and rectification
- Other unforeseen liabilities

In setting a reserves policy the trustees have also considered the cost of achieving an orderly wind-down of the charity's activities should the Art House no longer become viable. The cost of this wind-down would seek to mitigate the immediate impact to beneficiaries of the charity through provision of a continued facility for a short period of time whilst alternative service provision is sourced.

In light of these financial risks the trustees have set a reserve target of £150,000. Our current level of free reserves is a surplus of £4,106. Trustees will be setting annual reserves targets at the May 2024 meeting, after recruitment of new Trustees (including a Treasurer) in April and the reinstatement of the finance committee.

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The Art House manages its financial risks carefully through a considered reserves policy, an active risk register and ongoing fundraising and income generation development.

Structure, governance and management

a. Constitution

The Creative Art House is registered as a charitable company limited by guarantee and was set up in April 1997. The charity is governed by its Articles of Association and is registered with charity number 1063671.

The objects of the charity are specifically restricted to:

1. To advance the education of the public in arts and culture by providing experiences of art and artists through exhibitions, residencies, commissions, workshops and events.
2. The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage in particular through visual arts and crafts.

b. Methods of appointment or election of Trustees

The Articles of Association requires a minimum of three Trustees, each appointed for a three-year term. Trustees are recruited by panel interview against agreed criteria to effectively meet the Charity's obligations and responsibilities.

c. Organisational structure and decision-making policies

The Board of Trustees agree the strategic direction and policy statements of the Company. Executive and operational responsibilities are delegated to the Company's senior management and support staff.

The Board normally meets a minimum of 4 times a year. At the time of writing (Jan 2024), Trustees are meeting monthly.

d. Policies adopted for the induction and training of Trustees

Persons invited to join the Board of Trustees are first invited to attend a Board meeting as an observer. When first becoming a member of the Board, the Trustee is provided with an information pack regarding the organisation, which includes all company policies and procedures. Appropriate skills development opportunities are provided for all Trustees and staff.

e. Pay policy for senior staff

The Trustee Board determines and agrees the overall policy for the remuneration and pension arrangements for all the Charity's employees.

The remuneration policy is designed to attract and engage those with the required skills and experience to meet the

Charity's aims and objectives, aligned with the values of its Trustees, beneficiaries, partners and supporters.

The Board benchmarks pay levels against local similar salaries where information is available and utilises external professional advisors and salary databases where necessary.

f. Financial risk management

The Trustees and Executive have identified the principal risks to which the Charity is exposed and assessed their possible impact on the services provided and financial security of the Charity. They are satisfied that the necessary systems and controls are in place, and under regular review, to mitigate the Charity's exposure to those risks. A comprehensive risk register is in place.

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Key risks identified by the charity include:

Funding – The Art House is currently reliant on the generous support of the Arts Council for the majority of its income through being part a National Portfolio Organisation (NPO). At the time of writing (Jan 2024), TAH is being funded outside of the NPO due to the organisational upheaval we experienced in the last quarter of 2023. While there is no risk to us being funded in 2023-24, we are awaiting whether that will happen as a part of the portfolio, outside of the portfolio, or by being put into ACE's transition fund.

Regardless, our NPO funding does not cover the full operations of the building or the full artistic programme. The Trustees are committed to providing an Artistic Programme based on 'excellence' – to do so requires further funding. This is why the new strategy of developing new earned income streams and establishing more of a mixed economy has been adopted by Trustees.

Reputation – The Art House seeks to be a relevant and innovative arts organisation. The consequences of not adapting to the needs of the sector and responding to artists and audiences jeopardises our position as a national lead for diversity and the visual arts. The Art House approach to risk taking and adaptability is to operate a model that can respond flexibly to shifting perspectives and agenda, recognise opportunities and possibilities and is managed through reporting, feedback and evaluation.

Building costs – Phase 1 of the Art House is approaching ten years in age and the requirement to repair certain aspects of the building is increasing. The cost of repairs is managed through a maintenance plan which prioritises critical works and carefully appraises any investment being considered.

Funding

The Art House's Funding model is a Mixed Economy. There is Earned Income, Charitable Income and Statutory Income.

Our Earned Income is generated in two ways – Mission Related Trading through the provision of Creative Facilities and Creative Activities, and Commercial Trading, which is made up of our Coffee House, Shop, Catering Services and Room and Event Space Hire.

Some areas of our Mission Related Trading, for example our Maker Spaces, also play a key role in raising Charitable Income, such as workshops delivered for mothers in our Maternal Journal Programme, or for the children in our Adopt-A-School programme. As such, the Maker Spaces are not simply supported though commercial sales of Memberships, Classes or courses, but also through Grants and Public Service Contracts.

The Commercial Trading components – Coffee House, Shop, Room Hire and Catering – are similarly integrated, and while we want to raise income from each of these components, their success should not be solely measured by the clear profit or loss from any one area. For example, we cannot deliver a room hire service or catering without the capacity that the coffee house staff bring, and this staff also provide the 3 day a week Front of House/Admin team member we have to enable us to greet visitors during all opening hours.

Charitable Fundraising is the third slice of our mixed economy, and this is made up of our Statutory Funding from Arts Council England, as well as income from Trusts and Foundations, Individual Donors and Corporate Giving.

As noted in the previous section, The Art House is currently reliant on the generous support of the Arts Council for the majority of its income through being part a National Portfolio Organisation (NPO). At the time of writing (Jan 2024), TAH is being funded outside of the NPO due to the organisational upheaval we experienced in the last quarter of 2023. While there is no risk to us being funded in 2023-24, we are awaiting whether that will happen as a part of the portfolio, outside of the portfolio, or by being put into ACE's transition fund.

The Art House manages its financial risks carefully through a considered reserves policy, an active risk register, and ongoing fundraising and income generation development.

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Principle funding

The Charity's principal sources of funding are:

Core: Arts Council England, Earned Income

Projects: Paul Hamlyn, Wakefield Council, Historic England, NHS Leeds Hospital Charity, NOVA, Misc. trusts and foundations

Awards: Couleste Gulbenkian Award for Civic Arts Organisations

Fundraising disclosure

We are committed to following the Code of Fundraising Practice and we are currently in the process of registering with the Fundraising Regulator. We also adhere to all relevant Chartered Institute of Fundraising guidance. The Art House has strong ethics and over the next two years will be developing an Ethical Fundraising Policy to reflect this. Once approved it will be monitored by Trustees. All professional fundraisers representing us understand the standards we expect and are Individual Members of the Chartered Institute of Fundraising.

Our fundraising effort involves encouraging donations and gifts, and hosting events. We will always take action if others acting on our behalf fail to meet our high standards and we will never sell the data we hold to anyone else or share it without consent or having a legitimate reason to do so.

The Art House has a procedure for handling complaints and we are committed to dealing with all complaints constructively, impartially and effectively. We will make every effort to ensure that all complaints receive a complete, accurate and timely response and no complaint is ever disregarded. There were no complaints received in the year.

We have a robust Safeguarding Policy in place. We provide options to unsubscribe to enable individuals to opt out from receiving fundraising communications from us.

Plans for future periods

Having stabilised the financial and governance situation for the organisation, we have developed an exciting and innovative new business strategy for organisation which focuses on generating more income to rebuild reserves, strengthening our internal systems, growing our profile and footfall, and continuing to deliver the high quality and innovative services that our community now knows us for.

Generating More Income - To increase Earned Income over the period from both Mission Related and Commercial Trading, we have three primary business strategies:

1. Well-Placed – this is our most significant strategy, and is a national roll-out of our interim use space management programme to 9 areas across the country. Two are already at contract stage. This will add an additional £800K/a year into the organisation by 2029, with a surplus margin of 50%.

2. Increase income from Maker Spaces through better marketing, new customer acquisition and retention and upselling and cross-sales between offers.

3. Increase income from our Commercial Trading Offer – F&B, Space Hire and Shop. We will integrate them to work more strategically together to maximise up-selling, cross sales, new customer acquisition and retention. We will also improve marketing.

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To generate more Charitable Income over the period, we are focusing on the following key areas:

1. The 'Donor's Circle' – after five years, and with the support of our new Trustees, TAH is finally at a point where it is attractive to High Net Worth Individual Donors. We aim to capitalise on our networks by creating a 'Donor's Circle' of 10 donors each pledging £5K/year by 2029.

2. Enabling charitable giving at all points – website, till, course sign up and online sales

3. Embedding our recent success with Foundations and Trusts and securing at least 2 multi-year grants

Strengthening our internal systems - Throughout our new strategic plan we double down on ensuring that our systems and organisational structure is robust. We know that without this rigor, we cannot achieve our potential scale or meet the needs of our stakeholders, staff and community. Strategies to achieve this include embedding the Good Governance Review Cycle in Meetings, outsourcing our accounting and bookkeeping to an external accountancy, embedding a new CRM system, reviewing all policies and procedures, reviewing staffing structure, developing a 'Culture of Learning' Quality Assurance systems.

Growing our profile and footfall - We will Increase our marketing efforts, review our strategy and implementation, use our CRM to create a 'Single Customer View' for analysis and to drive retention, and develop and implement a PR strategy.

Continuing to deliver high quality programming and impact - We will deliver artistic residencies, exhibitions, professional development, our Studio and Gallery of Sanctuary and Arts and Health programmes. We will also deliver paid for and free workshops and programmes for Children and Young People, including our Adopt a School programme and also free holiday courses.

This five-year strategic plan is about moving The Art House beyond the difficulties of 2023 and setting the organisation on the path to a financially sustainable future. We are excited about this plan because it unlocks The Art House's potential for growth and innovation, while also embedding the excellent practice and relationships we have developed over the last five years.

This is a time of unprecedented funding challenges for the arts sector as a whole, particularly after the double whammy of Covid and the cost of living crisis. By far the easier option to solve our financial problems would have been to cut staff, cut services and downsize the organisation.

But it's also a difficult time in the world, and in our community. And we know that it's during these times when arts and creativity are the most needed and can have the biggest impact.

So we've dared to be brave, to hold fast to our vision and values and to meet these bleak times with ambition and innovation. To settle for less would fly in the face of what creativity and the arts are all about.

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Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Creative Art House for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom

Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2011 and applicable accounting regulations. 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.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:
Emma Adair
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Emma Adair

Chair of Trustees

Date: 30 January 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CREATIVE ART HOUSE

Opinion

We have audited the financial statements of The Creative Art House for the year ended 31 March 2023 which comprise of the statement of financial activities, Balance sheet, Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CREATIVE ART HOUSE (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CREATIVE ART HOUSE (CONTINUED)

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

Sally Appleton (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Chartered Accountants
Statutory Auditors

Mitre House
North Park Road
Harrogate
HG1 5RX

Date: 31 January 2024

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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THE CREATIVE ART HOUSE
(a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Income from:					
Donations and legacies	2	381,096	75,052	456,148	555,434
Charitable activities	3	99,680	-	99,680	86,972
Other trading activities	4	261,766	-	261,766	224,526
Investments	5	247	-	247	12
Other income	6	-	-	-	158,001
Total income		**742,789**	**75,052**	**817,841**	**1,024,945**
Expenditure:					
Cost of raising funds	7	271,163	67,786	338,949	339,841
Expenditure on charitable activities	8	633,119	168,084	801,203	814,599
Total expenditure		**904,282**	**235,870**	**1,140,152**	**1,154,440**
Net (expenditure) / income		**(161,493)**	**(160,818)**	**(322,311)**	**(129,495)**
Transfers between funds		22,998	(22,998)	-	-
Net movement in funds		**(138,495)**	**(183,816)**	**(322,311)**	**(129,495)**
Reconciliation of funds:					
Total funds brought forward		223,666	3,372,720	3,596,386	3,725,881
Total funds carried forward	17	**85,171**	**3,188,904**	**3,274,075**	**3,596,386**

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

The notes on pages 24 to 40 form part of these financial statements

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THE CREATIVE ART HOUSE
(a company limited by guarantee)

COMPANY NUMBER: 03345162

BALANCE SHEET AS AT 31 MARCH 2023

	Note		2023 £		2022 £
Fixed Assets					
Intangible assets	13		-		-
Tangible assets	14		3,255,115		3,401,063
			3,255,115		3,401,063
Current assets					
Debtors	15	81,877		297,447	
Cash at bank and in hand		34,447		29,257	
		116,324		326,704	
Liabilities					
Creditors: amounts falling due within one year	16	(97,364)		(131,381)	
Net current assets			18,960		195,323
Total net assets			3,274,075		3,596,386
The funds of the charity:					
Restricted funds	17		3,188,904		3,372,720
Unrestricted funds	17		85,171		223,666
Total funds			3,274,075		3,596,386

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small company's regime.

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

Approved by the trustees on 30 January 2024 and signed and authorised for issue on their behalf by:

DocuSigned by:
Emma Adair
0AD7A762627B477...

E Adair
Chair of Trustees

The notes on pages 24 to 40 form part of these financial statements

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THE CREATIVE ART HOUSE
(a company limited by guarantee)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	19	4,943	(119,160)
Cash flows from investing activities:			
Bank interest		247	12
Purchase of tangible fixed assets		-	(79,443)
Net cash used in investing activities		247	(79,431)
Change in cash and cash equivalents in the reporting period		5,190	(198,591)
Cash and cash equivalents at the beginning of the period		29,257	227,848
Cash and cash equivalents at the end of the reporting period	20	34,447	29,257

The notes on pages 24 to 40 form part of these financial statements

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1 Accounting policies

General information

The Charity is a company limited by guarantee and was incorporated in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The number of members in 2023 were 24. The registered office is Drury Lane, Wakefield, West Yorkshire, WF1 2TE. The registered company number is 03345162 and the registered charity number is 1063671.

1.1 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Creative Art House 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. The financial statements are prepared under the historical cost convention in £ sterling, which is the functional currency of the charity, and rounded to the nearest £1.

1.2 Going concern

In the present economic circumstances, access to financial resources remains a challenge and we are grateful that The Art House continues to be supported by Arts Council England. However, the financial year 2022 to 2023 has been marked by persistent difficulties as a result of limited access to additional funding required to maintain the outstanding community resource that has been developed.

In spite of these difficulties, The Art House staff and Trustees have worked diligently to find solutions to implement our new Business Model, which aims to increase our financial sustainability and reduce our dependence on statutory funding. As a result of this effort, we have received additional support from Wakefield Council in the form of a one-off grant to enable transition to our new Business Model and we have also raised a substantial amount of money through private pledges. This has enabled The Art House to restore its financial stability.

The Trustees have decided to prepare the financial statements on a going concern basis. This decision is based on a new Business Plan that commences in 2024 and provides the strategic and business framework for The Art House's operational model. The new Business Plan runs until March 2027.

The cashflow forecast, a projection built on evidence-based assumptions, currently shows a positive cash balance and a healthy surplus being generated by the later months indicating that the charity is able to operate as a going concern.

The charity benefits from particularly agile funding, from both the Arts Council England and through committed private pledges. This funding can be drawn down at request, so where the Cashflow forecast projects a temporary shortfall funding can be drawn down in advance to offer additional headroom.

The trustees have also generated a stage-gated approach to development of a contingency plan, reducing outsourced specialist delivery at trigger points. The Trustees have taken a reasonable and prudent approach to this process, utilising an external accountancy firm to ensure robust challenge.

The Trustees also continue to explore opportunities to enhance the long-term sustainability of the Trust, including new areas of delivery and also current areas where financial performance can be improved. Reviews of delivery of services have already yielded savings, and this is a process that will continue if required.

Based on the above, the Trustees consider the going concern basis for The Art House to be appropriate.

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1 Accounting policies (continued)

1.3 Fund accounting

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

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

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

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

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1 Accounting policies (continued)

1.6 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 institution with whom the funds are deposited.

1.7 Taxation

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

1.8 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on the following basis:

Website	- 33% straight-line

1.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Long-term leasehold property	- over 83 years straight line
Short-term leasehold property	- over 24 years straight line
Fixtures and fittings	- 15% per annum straight line
Office equipment	- 15% per annum straight line
Computer equipment	- over 3 years straight line
Art work pieces	- 15% per annum straight line

Leasehold land is not depreciated.

In the year of acquisition computer, office equipment, fixtures and fittings are depreciated from the start of the year.

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1 Accounting policies (continued)

1.10 Debtors

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

1.11 Cash at bank and in hand

Cash at bank and 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.

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.13 Financial instruments

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

1.14 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.15 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.16 Employee benefits

The costs of short term employee benefits are recognised as an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.17 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2 Income from donation, grants and legacies

	Unrestricted 2023 £	Restricted 2023	Total 2023 £
Donations			
Donations including gift aid	208	-	208
Grants			
Arts Council England - Core Grant	251,633	-	251,633
Arts Council England - Culture Recovery and Capital	5,000	-	5,000
Wakefield Council Grant	50,000	-	50,000
Paul Hamlyn Grant	40,000	-	40,000
Other grants	32,088	75,052	107,140
Membership fees	2,167	-	2,167
Total	381,096	75,052	456,148

Income from donation, grants and legacies (prior year)

	Unrestricted 2022 £	Restricted 2022	Total 2022 £
Donations			
Donations including gift aid	529	-	529
Grants			
Arts Council England - Core Grant	251,631	-	251,631
Arts Council England - Culture Recovery and Capital	-	78,426	78,426
Partnership income	164	-	164
Studio of sanctuary	1	-	1
Other grants	101,250	120,650	221,900
Membership fees	2,103	-	2,103
Income from donations and legacies: Other income	-	680	680
Total	355,678	199,756	555,434

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3 Income from charitable activities

	Unrestricted Funds 2023 £	Unrestricted Funds 2022 £
Provision of art facilities	99,680	86,972

Provision of art facilities	2023 £	2022 £
Studio rental	50,428	48,302
Studio service charge	6,984	6,721
Studio virtual	1,510	1,510
Print room	20,881	24,309
Dark room	6,824	2,744
Ceramic Studio	13,053	3,386
	99,680	86,972

4 Income from other trading activities

	Unrestricted 2023 £	Total 2023 £
Room hire and flat	25,119	25,119
Off-site management	132,184	132,184
Contracts for services	42,362	42,362
Other income	17,281	17,281
Coffee House	34,885	34,885
Shop income	9,935	9,935
	261,766	261,766

Income from other trading activities (prior year)

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Room hire and flat	11,101	-	11,101
Off-site management	83,645	-	83,645
Contracts for services	73,983	2,200	76,183
Other income	23,147	-	23,147
Coffee House	24,529	-	24,529
Shop income	5,921	-	5,921
	222,326	2,200	224,526

5 Investment income

	Unrestricted 2023 £	Unrestricted 2022 £
Bank interest	247	12

6 Other income

	Unrestricted 2023 £	Unrestricted 2022 £
Coronavirus-related support funding	-	158,001

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7 Raising funds

	Total Funds 2023 £	Total Funds 2022 £
Fundraising	2,136	210
Premises costs	34,644	46,427
Office costs	14,228	18,046
Marketing	18,914	22,213
Professional fees	89,168	57,247
Catering and room hire expenses	-	79
Other staff costs	1,801	11,815
Staff costs	129,895	121,322
Depreciation	48,163	62,482
	338,949	339,841

During the year, total expenditure on raising funds was £338,949 (2022: £339,841) of which unrestricted expenditure amounted to £271,163 (2022: 281,734) and restricted expenditure amounted to £67,786 (2022: 58,107).

8 Expenditure on charitable activities

Summary by fund type	Total 2023 £	Total 2022 £
Provision of art facilities	801,203	814,599

During the year, total expenditure on charitable activities was £801,203 (2022: £814,599) of which unrestricted expenditure amounted to £633,119 (2022: 632,304) and restricted expenditure amounted to £168,084 (2022: 182,295).

9 Analysis of expenditure by activities

	Direct costs 2023 £	Support costs 2023 £	Total 2023 £	Total 2022 £
Provision of art facilities	696,473	104,730	801,203	814,599
Total 2022	708,993	105,606	814,599	

9 Analysis of expenditure by activities (contined)

Analysis of direct costs

	Total Funds 2023 £	Total Funds 2022 £
Staff costs	233,995	180,775
Depreciation	97,785	126,858
Artistic programme costs	31,707	79,258
Other project costs	181,791	159,610
Coffee House costs	20,546	16,289
Shop costs	2,690	4,171
Premises costs	70,337	94,261
Office costs	28,889	36,636
Governance costs	28,733	11,135
	696,473	708,993

Analysis of support costs

	Total Funds 2023 £	Total Funds 2022 £
Staff costs	104,730	105,606

10 Auditors remuneration

	2023 £	2022 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	15,000	9,400

11 Staff costs

	2023 £	2022 £
Wages and salaries	436,586	376,172
Social security costs	23,690	24,749
Contribution to defined contribution pension schemes	8,340	6,782
	468,616	407,703

11 Staff costs

The average number of persons employed by the charity during the year was as follows:

	2023 No.	2022 No.
Employees	28	22

No employee received remuneration amounting to more than £60,000 in 2023 (2022: none).

The total remuneration including employer's NI and pension attributable to the senior management team for the year was £144,088 (2022: £150,792).

12 Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022: £nil).

During the year, no Trustee expenses have been incurred (2022: £nil).

13 Intangible assets

	Website £
Cost	
At 1 April 2022	9,503
At 31 March 2023	**9,503**
Amortisation	
At 1 April 2022	9,503
At 31 March 2023	**9,503**
Net book value	
At 31 March 2023	-
At 31 March 2022	-

14 Tangible fixed assets

	Long-term leasehold property £	Short-term leasehold property	Fixtures and fittings £	Office Equipment £	Computer Equipment £	Other fixed assets	Total £
Cost or valuation							
At 1 April 2022	2,554,576	2,346,768	184,805	57,382	53,378	9,160	5,206,069
At 31 March 2023	**2,554,576**	**2,346,768**	**184,805**	**57,382**	**53,378**	**9,160**	**5,206,069**
Depreciation							
At 1 April 2022	922,775	684,474	105,427	39,854	43,316	9,160	1,805,006
Charge for the year	16,152	103,893	14,801	2,887	8,215	-	145,948
At 31 March 2023	**938,927**	**788,367**	**120,228**	**42,741**	**51,531**	**9,160**	**1,950,954**
Net book value							
At 31 March 2023	1,615,649	1,558,401	64,577	14,641	1,847	-	3,255,115
At 31 March 2022	1,631,801	1,662,294	79,378	17,528	10,062	-	3,401,063

Included in long term leasehold property is land at a value of £288,000 which is not depreciated (2022: £288,000).

15 Debtors

	2023	2022
	£	£
Trade debtors	26,235	73,258
Prepayments and accrued income	55,642	205,143
Tax recoverable	-	19,046
	81,877	297,447

16 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	47,249	74,844
Other taxation and social security	10,695	13,117
Other creditors	9,967	6,752
Accruals	29,453	36,668
	97,364	131,381

17 Funds summary

Statement of funds - current year

Unrestricted funds	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
General funds					
General funds	223,666	742,789	(904,282)	22,998	85,171
Total unrestricted funds	223,666	742,789	(904,282)	22,998	85,171
Restricted funds					
Capital Project - Drury Lane	1,592,396	-	(16,152)	-	1,576,244
Capital Project - Carnegie Library	1,571,422	-	(98,718)	-	1,472,704
Library lease	88,544	-	(5,176)	-	83,368
Creative Minds BAME Project	1,078	-	(1,078)	-	-
Leeds Hospital Charities (NHS) Re-Emerge	60,162	720	(36,096)	-	24,786
Historic England	26,655	18,427	(21,980)	(12,067)	11,035
Light up grant	4,725	-	(4,725)	-	-
Creative Minds Talk and Draw	3,222	-	(3,222)	-	-
Tourism Recovery Grant	7,116	-	-	(7,116)	-
Nova Grant	17,400	-	(433)	-	16,967
Foyle Foundation	-	27,000	(23,200)	-	3,800
Mayors Fund	-	5,897	(2,082)	(3,815)	-
SOS - UK Community Renewal Fund	-	15,211	(15,211)	-	-
Permindar Kaur - Arts Council	-	7,797	(7,797)	-	-
Total restricted	3,372,720	75,052	(235,870)	(22,998)	3,188,904
Total funds	3,596,386	817,841	(1,140,152)	-	3,274,075

17 Funds summary (continued)

Statement of funds - prior year

Unrestricted funds	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds					
Committed programmes	80,000	-	(80,000)	-	-
General funds					
General funds	196,457	822,989	(834,038)	38,258	223,666
Total unrestricted funds	276,457	822,989	(914,038)	38,258	223,666
Restricted funds					
Capital Project - Drury Lane	1,655,824	-	(63,428)	-	1,592,396
Capital Project - Carnegie Library	1,665,494	-	(94,072)	-	1,571,422
Wakefield Council - Capital fundraising	-	48,866	(17,150)	(31,716)	-
Library lease	93,752	-	(5,208)	-	88,544
Creative Aging	1,414	-	(1,414)	-	-
Infrared hearing system	2,000	-	(2,000)	-	-
Studio of Sanctuary	17,201	680	(17,881)	-	-
Studio of Sanctuary Individuals	5,000	-	(5,000)	-	-
Capital funding	3,606	-	(3,606)	-	-
Tudor Trust Staff Wellness Programm	2,000	-	(2,000)	-	-
Creative Minds BAME Project	-	2,200	(1,122)	-	1,078
Leeds Hospital Charities (NHS)				-	-
Re-Emerge	-	75,000	(14,838)	-	60,162
ACE Culture Recovery Fund	3,133	-	(3,133)	-	-
Historic England	-	29,560	(2,905)	-	26,655
Light up grant	-	9,000	(4,275)	-	4,725
Creative Minds Talk and Draw	-	4,300	(1,078)	-	3,222
Tourism Recovery Grant	-	14,950	(1,292)	(6,542)	7,116
Nova Grant	-	17,400	-	-	17,400
Total restricted	3,449,424	201,956	(240,402)	(38,258)	3,372,720
Total funds	3,725,881	1,024,945	(1,154,440)	-	3,596,386

Capital Project - Drury Lane

Funded by grants from the Arts Council Lottery and others towards the cost of developing a permanent home for the charity. The fund balance represents the cost of initial planning, leasehold land, professional fees, construction and equipment in relation to The Art House Building, less depreciation charged.

Capital Project - Carnegie Library

Funded primarily by grants from the Arts Council Lottery towards the costs of developing the Carniegie Library into an extension to the Art House Building. The initial professional fees and project set up costs ahead of the construction phase have been written off to revenue. £50,000 of the charity's reserves have been put towards the project.

Library lease

This is a 25 year lease from Wakefield Metropolitan District Council for use of the Carnegie Library. The lease was signed in January 2014 and depreciation has commenced from May 2015, on completion of the building.

17 Funds summary (continued)

Creative Aging
Funding provided by Creative Minds to run a bespoke series of art workshops for Dementia Patients and their carers.

Infrared hearing system
Funding from West Riding Masonic Charities Limited towards a new infrared hearing system.

Studio of Sanctuary
This is the fund where we raise money for the Studio Of Sanctuary Residency Programme & Community Engagement Project.

Studio of Sanctuary - individuals
Support for the professional development of individual asylum seekers/refugees who are participating in the Studio of Sanctuary programme

Mayors Fund
Support for Afgani women and children

SOS - UK Community Renewal Fund
Grant to address barriers people face to participate in employment by developing soft skills in vulnerable adults in Wakefield

Creative Minds
Grant to support Arts and Health classes.

Capital funding
Amounts received towards capital projects.

Tudor Trust - Staff Wellness Programme
Amounts received to support staff, volunteer and Trustee wellbeing.

Creative Minds BAME Project
Funding for Afghan Families Project

Leeds Hospital Charities (NHS) Re-Emerge
Grants to fund Arts & Health activities to support post Covid mental health recovery

ACE Culture Recovery Fund
Grant to support the charity during covid related restrictions

Nova Grant
Mental heath and Early years support agreement

Tourism Recovery Grant
Covid Recovery Project

Creative Minds Talk and Draw
Interactive workshop for Asylum seekers, refugees and the local community of all age groups

Light up grant
Grant to commission a light projection piece for the exterior of the building for the councils light up festival. Grant used to support school workshops making lanterns & a lantern parade at Edgeland Arts

Historic England
Outreach to ownership- research funding to assess the impact of our Makey Wakey (offsite studios) project

Permindar Kaur - Arts Council
Funds received which are to be incorporated into Permindar Kaur's residency.

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17 Funds summary (continued)

Transfers
Transfers to unrestricted funds are made where the conditions on the restricted funds have been fully met

18 Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds £	Restricted funds £	Total funds 2023 £
Tangible fixed assets	81,065	3,174,050	3,255,115
Current assets	101,470	14,854	116,324
Creditors falling due in less than one year	(97,364)	-	(97,364)
	85,171	3,188,904	3,274,075

Analysis of net assets between funds - prior year

	Unrestricted funds £	Restricted funds £	Total funds 2022 £
Tangible fixed assets	78,599	3,322,464	3,401,063
Current assets	271,448	55,256	326,704
Creditors falling due in less than one year	(126,381)	(5,000)	(131,381)
	223,666	3,372,720	3,596,386

19 Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(322,311)	(129,495)
Adjustments for:		
Depreciation charges	145,948	187,756
Amortisation charges	-	1,583
Bank interest	(247)	(12)
(Increase)/decrease in debtors	215,570	(145,967)
Increase/(decrease) in creditors	(34,017)	(33,025)
Net cash provided by/(used in) operating activities	4,943	(119,160)

20 Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	34,447	29,257
	34,447	29,257

21 Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
Cash at bank and in hand	29,257	5,190	34,447

22 Pension commitments

The Charity operates one defined contribution pension scheme. The assets of the schemes are held separately from those of the Charity in independently administered funds. The total pension cost charge represents contributions payable by the Charity to the funds and amounted to £8,340 (2022: £6,782). Contributions totalling £1,609 (2022: £1,568) were payable to the scheme at the balance sheet date and are included in creditors.

23 Operating lease commitments

At 31 March 2023, the charity had commitments to make future minimum lease payments under non cancellable operating leases as follows:

	2023	2022
	£	£
Not later than 1 year	138	1,660
Later than 1 year and not later than 5 years	-	138
	138	1,798

24 Related party transactions

During the period, S Thornbury, Chief Executive, was reimbursed expenditure totalling £777 (2022: £nil). There were no amounts outstanding at the year end (2022: £nil).

There were no other related party transactions that took place in the period (2022: £nil).

THE CREATIVE ART HOUSE

England & Wales - Charity number 1063671

Accounts

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Registered number: 3345162
Charity number: 1063671

THE CREATIVE ART HOUSE

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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THE CREATIVE ART HOUSE

(A company limited by guarantee)

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THE CREATIVE ART HOUSE

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 MARCH 2022

Trustees	E Adair, Chair (Appointed 23 February 2023) C A Wills (Resigned 23 February 2023) A Asres A Brooks (Appointed 10 March 2023) J Curran (Appointed 10 March 2023) E Wood (Resigned 23 February 2023) T Raabe-Webber (Resigned 1 February 2023) B Esapathi S Hansom (Resigned 23 February 2023) J Cook (Resigned 23 February 2023) M Faull (Resigned 23 February 2023)
Company registered number	3345162
Charity registered number	1063671
Registered office	The Art House Drury Lane Wakefield WF1 2TE
Chief executive	S Thornbury
Independent auditor	Saffery LLP Chartered Accountants Mitre House North Park Road Harrogate HG1 5RX
Bankers	Unity Tust Bank plc 4 Brindley Place Birmingham B1 2HB
Solicitors	Hempsons The Exchange Station Parade Harrogate HG1 1DY

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THE CREATIVE ART HOUSE

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INTRODUCTION FROM THE CHAIR

FOR THE YEAR ENDED 31 MARCH 2022

The Art House has gone through a huge transformation in the last few years, with a particularly unexpected surge of growth during the pandemic. 2021-23 saw us take the first tentative, if frequently interrupted, new steps out of lock-down, with potential impact for us in ways we may not be able to anticipate. We must also take into consideration the outbreak of war in Ukraine and an extraordinary spike in the cost of living. As a result, the future looks even more uncertain.

However, what we have seen over the last few years is that The Art House can thrive under challenge. We focus on listening to, engaging with, and meeting the needs of our community through art and creativity. To date this approach has benefitted not only the charity, but also brought innovative cultural and civic impact. We now hold a greater than ever place in the hearts of the creative and wider community of Wakefield. Our work is also being increasingly recognised both locally and nationally – including the thrilling news of being awarded the prestigious 2022 Gulbenkian Civic Arts Award.

Innovative projects that were developed either just before the pandemic or during it are now being embedded and expanded – Studio of Sanctuary, Makey Wakey and our Arts and Health programmes all came into their own during the pandemic and are demonstrating the full potential impact that an arts organisation can have on its community and on regeneration. The increase in our staffing capacity has resulted in a diverse, dynamic, and entrepreneurial team of people who are passionate about creativity and equally passionate about Wakefield. What's more, the changes that we've been able to make to the building as a result of our 2019 ACE CapEx grant and our Cultural Recovery Fund grant have transformed the Art House into a buzzing meeting place for a huge cross-section of the community, who can now meet in an airy and creative space for coffee and bagels, as well as browse and purchase an eclectic mix of hand-made products from local artists.

The warm and welcoming energy of The Art House is evident as soon as you walk in the door, and we are now one of the most diverse arts organisations in Wakefield. Our work continues to evolve as we meet new challenges and opportunities and I am pleased to present our annual report and financial statements for the year ended 31 March 2022.

DocuSigned by:
Emma Adair
0AD7A762627B477...

Emma Adair, Chair of Trustees, The Art House
Date: 09 October 2023

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements of the charity for year 1 April 2021 to 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The prime objectives of the organisation are to enable disabled and non-disabled visual artists to access opportunities to develop their creative practice, in an inclusive and accessible environment, through:

1. Supporting artists to develop their practices, reach new audiences and cultivate wider networks.
2. Actively promoting and establishing equality in the visual arts for disabled and non-disabled artists.
3. Providing residencies, exhibitions, training, membership and one to one advice.

The Art House is an organisation working towards equal access for ALL artists, focused on identifying, highlighting and removing physical, philosophical, educational, social and economic barriers for Visual Artists.

As such, we have expanded our work to include other marginalised artists and creative practitioners. For example, our Studio of Sanctuary programme is the first of its kind in the UK to provide free professional development, studio space and pastoral support for asylum seekers and refugee artists.

In addition, we are also highly committed to using arts and creativity to engage and empower the people of Wakefield. As such, we have opened the organisation out to the community - providing a range of social impact projects, Arts and Health Programmes, public workshops and events, and educational programmes for children and young people. We are the first Studio of Sanctuary in the country working with People Seeking Asylum and we are also deeply committed to Placemaking and activating strong place partnerships and manage a series of interim-use spaces under our Makey Wakey programme. We work with the council and local businesses to help regenerate Wakefield through arts, culture, and the creative industries.

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Objectives and activities (continued)

b. Activities undertaken to achieve objectives

The Art House buildings feature excellent levels of access and include 45 studio spaces for artists, makers, and creative businesses. We also have three well-equipped and staffed maker spaces (print studio, ceramics studio and darkroom), 3 meeting rooms, a co-working space, two gallery spaces (which double as events spaces), a learning space, residency accommodation, a coffee house, shop, and an outdoor terrace.

Through its Artistic Programme, The Art House provides time, space and support for artists to develop their work and connect with audiences through:

- Residencies and artist commissions
- Artist Mentoring
- Artist-led sharing of best practice
- Physical and virtual exhibitions, workshops and events
- Studio holder community management

Our Social Impact and Public Engagement Activities include:

- Producing the bi-monthly Artwalk, Wakefield's longest-running free cultural festival
- Being the first 'Studio of Sanctuary' in the UK for artists and makers who are seeking asylum
- Arts and Health programmes
- Producing special events and festivals
- Providing interim use space for artists, charities and community groups
- Workshops and courses in a wide range of art forms (including photography, ceramics, printmaking, painting and drawing, and jewellery, for the public and artists)
- Free holiday programmes for Children and Young People
- Our 'Adopt A School' programme with Lawfield Primary

The Trustees have considered the Charity Commission's general guidance on public benefit when reviewing the activities for the year. Further information on the activities which provided public benefit during the year is provided below.

Achievements and performance

a. Key performance indicators

The Charity's key financial performance indicators are based on targets set for:

Earned Income: income from studio occupancy, meeting and event space rentals, coffee house and shop sales, public and private workshops and courses, and contracts for services, as well as their related expenses.

Charitable Income: primarily from the Arts Council England NPO, as well as from other statutory or charitable sources and individual donors.

b. Review of activities

The theme for this year has been 'restore/recover' – following a restricted April, May 2021 came with the green light to reopen to the public following Covid-19 restrictions and our attentions have been predominantly focused on returning the most familiar aspects of our activities, integrating them with new activity devised during the pandemic which pushes the

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Achievements and performance (continued)

boundaries of the role an arts organisation can play in its community. We believe that role can, and must, be a radical one if organisations like The Art House are to remain relevant for the people we serve – from artists and creative businesses to the local community and everyone in between.

This approach was validated with the exciting end of year news that The Art House was to be the main recipient of the Calouste Gulbenkian Foundation's Award for Civic Arts Organisations 2022. This £100,000 award (the largest of its kind in the UK), was granted in recognition of our agility in responding to the needs of the local community and putting co-creation at the centre of our work during the pandemic. Upon announcing the award, Baroness Bull (Deborah Bull), Vice President (Communities & National Engagement) and Senior Advisory Fellow for Culture, King's College London said:

"[The £100,000 Award for Civic Arts Organisations] goes to an organisation that impressed the entire panel with its unswerving commitment to co-creation, to developing skills and creativity with local communities, to championing diverse voices, to dissolving barriers between art and social impact. And with a clear and inspirational vision for a future in which they told us we don't know how far this experiment can go, but we're never going back to where we were."

Business Developments and New Initiatives

Our studio and member community remain strong and we have seen little change in studio holders over the past 12 months. We saw an unexpected rise in studio enquiries in the early part of 2021, the result of freelance practitioners who set up during Covid-19 being eager to find connections with the district's creative community. Over the course of the year the intensity of enquiries has settled down, however, enquiries continue to trickle in, with 1-4 expressions of interest submitted each month.

Audiences of all types, however, have been slow to return to cultural activity post-covid. Coupled with domestic and global political uncertainty, including Brexit, the outbreak of war in Ukraine, and the subsequent impact on costs and supply chains, it has proved a challenging period for both free and commercial activity.

Our approach to mitigating the uncertainty felt in the wake of the pandemic has been to continue to invest in diverse activities, including the launch of a new in-house coffee house offer and the relaunch of a new shop in the foyer in May 2021. The shop not only acts as a vehicle for sales of local artists' work, but as an opportunity to develop our own product lines and limited editions in collaboration with exhibiting artists. In the case of the former, The Art House was awarded the winner in the 'Best Product' category at the Cultural Enterprises Awards in March 2022 for our range of beautiful screen-printed cotton canvas pouches. The pouches are designed and made at The Art House by our print studio technician Ellie Way using remnant inks and materials before being constructed by Hamid of Wakefield Tailors, one of our original City of Sanctuary programme beneficiaries and current Makey Wakey tenant. The judges of the awards commented on the "Fantastic story behind the product and great work with the local community – a great example of a product supporting the message of the organisation."

The buildings' closure to the general public throughout 20-21 allowed us to expand our Maker Spaces, from a long-standing print studio, to include a ceramics studio and a darkroom. In the case of our ceramics studio, we were able to work with Wakefield College to agree a return of the ceramics studio to us for use, including the kiln. The space has been equipped largely through the repurposing and recycling of furniture already owned by The Art House with the exception of a few specialist tools and pieces of equipment, including two Shimpo wheels and an accessible wheel for disabled users. The addition of a darkroom for black & white film photography involved the transformation of four small studio spaces in the Library side of the building. The process involved consultation with the Disabled Photographers' Society in order to ensure excellent access throughout and led to the custom design and build of height-adjustable enlarger bays and eco-friendly accessible sinks. To date, we believe The Art House darkroom to be the only accessible darkroom available to the public.

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Achievements and performance (continued)

Memberships of the Maker Spaces are proving slow to build at a time when there is growing uncertainty around the cost of living. Our small but growing member community are active and show good levels of retention and we continue to ensure the spaces are well used through funded programmes such as our NHS Leeds Hospital Charity project, Re-emerge. Likewise, workshops and courses bookings have yet to return to pre-covid levels, however we are excited about the possibilities presented by our increased Maker Space offering.

Our work throughout the pandemic made us acutely aware of the impact of Covid-19 continues to have on people's mental health, particularly those most marginalised in society whom we were already working with pre-pandemic, such as asylum seekers and refugees, and people with dementia and their carers. We also forged a connection with Wakefield's perinatal mental health team which gave us insight into the substantial mental health challenges being experienced by new and expectant mothers in the district. In a bid to provide arts-based support, The Art House applied and was successful in an NHS Leeds Hospital Charity bid. The programme, entitled 'Re-emerge' began delivery in early 2022 and will continue until July 2023. This programme has enabled us to engage the University of Sheffield in research and evaluation of our work and its impact, the first time the organisation has been able to engage independent academic researchers in our work.

We continue to develop our interim-use programme, Makey Wakey, with potential partners hoping to roll out the model in Salford and Gloucester. In January 2022, The Art House was accepted into 'Outreach to Ownership', an innovative research pilot from Historic England and Historic Environment Scotland. The initial cohort of five community organisations will co-deliver innovative research that investigates the social and economic value of a range of approaches to inclusive community engagement across the culture sector. This work enabled The Art House to work closely with its Makey Wakey tenants and their beneficiaries to better understand the social impact and value of the programme. The research concluded in September 2022.

Staff

- Unsurprisingly, our staffing requirements have increased as has the demand for more flexibility than ever before.
- All staff returned to work following the conclusion of the furlough scheme. Flexible working continues to be made available to any staff whose role allows it.
- A number of new staff have joined us during 21-22, working across our Visitor Services, Programme, Facilities, Marketing and Maker Spaces teams. There were 26 members of the team at the end of March 2022.
- Our employee wellbeing programme continued to be popular throughout 21-22 as staff sought to maintain work/life balance and acclimatize to the "new normal".
- Monthly all-staff meetings are held to support internal communications outside of subject-specific emails and meetings.

Trustees

- The recruitment drive for trustees in 2020 meant that there were no changes to members of the trustee board in 21-22.
- The systematic review of the code of governance which was started in 20-21, was continued in 21-22 to support the ongoing development of the board.
- In early December 2021, the trustees and senior management team undertook a 'Board Away Day' centred around a workshop by Caroline McCormick from Achates, a consultancy for cultural organisations. The workshop was designed to help the trustees to quantify the unique value of The Art House in preparation for their input into the organisation's next Arts Council NPO application (submitted in May 2022).

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Achievements and performance (continued)

Artistic Programme

- It was a pleasure to re-open the Galleries for exhibitions, and to once again welcome artists in residence.
- During the year we produced seven exhibitions
    - Richard William Wheater: The Walls We Build While Dreaming of Escape
    - Jill McKnight: Everything is Still Floating
    - Fred Tschida: CIRCLESPHERE
    - 20:20 Print Exchange Touring Exhibition
    - Tony Fisher: Only the Lonely?
    - Hassun El-Zafar: HEAR – Hearing Extinction and Audiological Relapse
    - Paula Chambers: Not at Home
- CIRCLESPHERE was our most ambitious exhibition to date. The Art House and Wakefield's Neon Workshops partnered to bring the work of neon artist Fred Tschida to Europe for the first time CIRCLESPHERE marks ten years since Neon Workshops was established in Wakefield, and 20 years since its founder – artist Richard William Wheater – was introduced to Fred Tschida's alternative explorations in neon, as his student at Alfred University.It was while studying in New York that Wheater discovered Tschida's kinetic sculpture 'Sphere (2000), which he cites as the piece that made him fall in love with neon. The exhibition is a celebration of both this moment and Fred Tschida's lifelong obsession with light and movement as an art form, as well as Wheater's determination to introduce the world to an un-sung neon master. CIRCLESPHERE at The Art House featured 'Frederick Carder Vase Forms', six gas-filled glass illuminated sculptures, each revolving on free-standing wooden frames, all between 2.1m and 2.8m tall.
- We also hosted five residencies during the year:
    - Jill McKnight
    - Maybelle Peters
    - Alabamathirteen
    - Jessie Davies
    - Sheena Hussain

Access and Diversity

Accessibility, diversity and equality are our founding principles and much of our work in this area has been sector leading over the last 28 years. We know the arts have a vital role to play in modelling a diverse and inclusive society, especially for our local area which is 96% white British. We were proud to be rated 'Outstanding' in 2021 by Arts Council England for our focus on access and diversity: 'The Art House (TAH) continues to take a leading role in championing the Creative Case for Diversity across the sector.'

TAH have an advanced strategic approach to addressing barriers within the sector for artists from underrepresented backgrounds with a broad focus on inclusion and equalities (e.g. significant programmes around refugee and asylum seekers, visible disabilities, neuro-diversity and health agendas) TAH has pioneered the UK's first 'Studio of Sanctuary' to offer provision for refugee and asylum seekers. TAH are one of few disability accessible studio buildings, which supports talent with the delivery of residencies, international residencies, live/work, showcase exhibitions, artist talks, events and commissioning collaborations across the national cultural landscape, ensuring that diverse artists are presented and profiled.

Our recent artist-in-residence, Jessie Davies, noted*: "The access features throughout the building, flat, and maker spaces mean that this is the first place I've ever fully been able to be an artist. Previously the spaces I have worked in have not been accessible or integrated with other artists. Having an accessible studio space at The Art House [has] made a vast difference because I participate on as equal a basis as possible, alongside studio holders."*

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Achievements and performance (continued)

Work with the diverse studio holders has championed inclusion and promoted fair-pay as an equality agenda under the creative case.

Audiences, Social Impact and Engagement Work

As mentioned previously, audiences of all types, have been slow to return to cultural activity post-Covid. However, our footfall numbers are increasing rapidly and the new more open layout of the foyer/gallery/event space made possible from last year's ACE Small Cap Ex grant along with the new café and shop mean that more people than ever are now entering the building.

Our Social Impact and Engagement work continues to grow. We are expanding the Studio of Sanctuary with a new 'Talk and Draw' workshop – a once a week drop in for asylum seekers/refugees and people from the wider Wakefield community to draw and help practice English language skills.

We have also been successful in an NHS Leeds Hospital Charity bid to run 'Re-emerge', our new Arts and Health Initiative. This programme will begin to deliver in April of 2022 and will enable us to build upon the work that we began doing with mothers and the Peri-natal Mental Health Unit at Pinderfields Hospital during the pandemic. The project will enable us to deliver weekly 'Maternal Journal' creative journaling sessions for mothers struggling with their mental health, and also continue our 'Creative Minds' workshops for people with dementia and their carers.

Our Makey Wakey interim-use space programme continues to grow from strength to strength, and in addition to undertaking a research project with Historic England, we are now in discussion with Peel Developers PLC about expanding the programme to their MediaCentre shopping centre in Salford.

Finally, it was absolutely wonderful to re-start Artwalk this year, our bi-monthly night of city-wide creative happenings. Over the year we produced six Artwalk evenings, including one that featured a fantastic lighting up of the Art House buildings.

Going concern

At the time of writing (Oct 2023), the Charity has experienced significant and unexpected financial challenges due to both internal and external factors, including upheaval as the result of an acrimonious board turnover in Feb 2023, a large loss in the 2022-23 financial year that has depleted reserves, receiving standstill funding in the 2023 NPO decision, the difficulty of the economic climate, and continuing challenges for the sector as a whole in navigating the post-Covid landscape.

The Trustees have drawn up and analysed three different financial scenarios, in order to assess the financial viability of the organisation as a going concern for the next 12 months. The most optimistic of these scenarios sees us gaining financial support from Wakefield Council and others while we execute a new business strategy based on a commercial roll out of our interim-use model.

The most pessimistic of these scenarios sees the organisation retracting, closing to the public and returning to only being a studio space for artists, with some restricted funding projects continuing.

At the time of writing, due to the severity of the current cash constraints and the delicate position the organisation is in, our core funding from Arts Council England (ACE) is acting as a lifeline. ACE are being extremely supportive of The Art House and working closely with the Trustees to ensure that the organisation remains viable. ACE are being responsive and flexible with our ring-fenced funding to support our cashflow, and are being kept up to date with governance and the financial position. We are working together as a team and this is much appreciated.

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Going concern (continued)

By the end of October 2023, Trustees will decide on what scenario we move forward with based on the results of our discussions with Wakefield Council. We will then work with ACE to negotiate the shape of our funding for 2024-5, which will be submitted to their national council for approval in by 13th January 2024.

We are seeing potentially new and exciting opportunities emerging, and over the next 12 months Trustees will be looking at the period beyond 2025 and whether our business model approach is working or whether a new model needs to be adopted. What this model would look like, and what ACE's funding would be, depends on a number of things, including potential new partnerships and changes in the economic and political landscape.

As things stand today we are confident that ACE will continue to work with Trustees and support us in terms of whatever it needs to do over the next 12 months to support The Art House to maintain viability. We all want The Art House to succeed.

For the reasons above, Trustees continue to adopt the going concern basis in preparing the financial statements. Nevertheless, whilst at the time of approving the financial statements the Trustees do not have any indication that the Arts Council of England will not continue to support the charity beyond March 2024, as noted above, the timing and quantum of any funding has not yet been formally confirmed. This represents a key uncertainty within the forecast model with regard to the going concern of the Charity.

Financial review

The Trustees have taken the opportunity provided by the appointment of new auditors to reclassify certain income and costs in the Statement of Financial Activities such that the statutory results are consistent with management information. The Art House recorded a net surplus of £58,261 for the year, before transfers and depreciation. This result saw our free reserves of the charity at 31 March 2022 at a surplus of £145,067 after the deduction of unrestricted reserves held as fixed assets. This is above the stated aim of the reserves policy, which is £100,000. Total funds at 31 March 2022 are £3,596,386 (2021: £3,725,881) including restricted funds of £3,372,720 (2021: £3,449,424).

Reserves policy

In forming a reserves policy, the Trustees have regard to the financial impact of the principal risks as set out on pages 10 and 11. In particular:

- Not achieving income targets, especially in light of the possibility of economic downturn
- Unforeseen liabilities arising in relation to building running costs, especially in regards to rising energy prices, maintenance and rectification
- Other unforeseen liabilities

In setting a reserves policy the trustees have also considered the cost of achieving an orderly wind-down of the charity's activities should the Art House no longer become viable. The cost of this wind-down would seek to mitigate the immediate impact to beneficiaries of the charity through provision of a continued facility for a short period of time whilst alternative service provision is sourced.

In light of these financial risks the trustees have set a reserve target of £100,000. Our current level of free reserves is a surplus of £145,067.

The Art House manages its financial risks carefully through a considered reserves policy, an active risk register and ongoing fundraising and income generation development.

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Structure, governance and management

a. Constitution

The Creative Art House is registered as a charitable company limited by guarantee and was set up in April 1997. The charity is governed by its Articles of Association and is registered with charity number 1063671.

The objects of the charity are specifically restricted to:

1. To advance the education of the public in arts and culture by providing experiences of art and artists through exhibitions, residencies, commissions, workshops and events.
2. The relief of those in need by reason of
youth, age, ill-health, disability, financial hardship or other disadvantage in particular through visual arts and crafts.

b. Methods of appointment or election of Trustees

The Articles of Association requires a minimum of three Trustees, each appointed for a three-year term. Trustees are recruited by panel interview against agreed criteria to effectively meet the Charity's obligations and responsibilities.

c. Organisational structure and decision-making policies

The Board of Trustees agree the strategic direction and policy statements of the Company. Executive and operational responsibilities are delegated to the Company's senior management and support staff.

The Board meets a minimum of 4 times a year and at the moment is meeting monthly.

d. Policies adopted for the induction and training of Trustees

Persons invited to join the Board of Trustees are first invited to attend a Board meeting as an observer. When first becoming a member of the Board, the Trustee is provided with an information pack regarding the organisation, which includes all company policies and procedures. Appropriate skills development opportunities are provided for all Trustees and staff.

e. Pay policy for senior staff

The Trustee Board determines and agrees the overall policy for the remuneration and pension arrangements for all the Charity's employees.

The remuneration policy is designed to attract and engage those with the required skills and experience to meet the Charity's aims and objectives, aligned with the values of its Trustees, beneficiaries, partners and supporters.

The Board benchmarks pay levels against local similar salaries where information is available and utilises external professional advisors and salary databases where necessary.

f. Financial risk management

The Trustees and Executive have identified the principal risks to which the Charity is exposed and assessed their possible impact on the services provided and financial security of the Charity. They are satisfied that the necessary systems and controls are in place, and under regular review, to mitigate the Charity's exposure to those risks. A comprehensive risk register is in place.

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Key risks identified by the charity include:

Funding – The Art House is currently reliant on the generous support of the Arts Council for the majority of its income. However, this funding does not cover the full operations of the building or the full artistic programme. The Trustees are committed to providing an Artistic Programme based on 'excellence' – to do so requires further funding. This is why the new strategy of developing new earned income streams and establishing more of a mixed economy has been adopted by Trustees.

Reputation – The Art House seeks to be a relevant and innovative arts organisation. The consequences of not adapting to the needs of the sector and responding to artists and audiences jeopardises our position as a national lead for diversity and the visual arts. The Art House approach to risk taking and adaptability is to operate a model that can respond flexibly to shifting perspectives and agenda, recognise opportunities and possibilities and is managed through reporting, feedback and evaluation.

Building costs – Phase 1 of the Art House is approaching ten years in age and the requirement to repair certain aspects of the building is increasing. The cost of repairs is managed through a maintenance plan which prioritises critical works and carefully appraises any investment being considered.

Funding

We have been working hard to redress the balance in our income streams, in a bid to return to the mixed economy we implemented between 2018-20. Last year we anticipated this would take two years to happen and this has proved to be the case, particularly in light of the unpredictable political climate which, towards the end of 21-22, was causing particular concern in relation to energy prices and food supply chains.

Despite requesting an uplift in our application to the Arts Council National Portfolio, The Art House only received stand-still funding, based at 2017 levels. Although accepted into the Portfolio, due to the upheaval of the change-over in Trustees, Arts Council England made the decision to fund us outside of the NPO portfolio for 2022-23, but at the same level of £221K/annum (£30K of funding for Yorkshire Visual Arts Network that ACE ran through The Art House now goes directly through them), and with the same requirements to fulfil as other NPOs. ACE have been supportive throughout the year, and we are currently in discussion with them about whether they continue to fund us outside of the NPO portfolio or invite us back in formally for April 2024. ACE has been clear in its commitment that it would not withdraw their funding if that would create existential damage for TAH.

In addition, we earn income through a variety of sources, including studio rental fees, contracts for services, interim-use space management, and workshops and courses. We are continually working to optimise our funding streams by refining processes and introducing new ways of generating revenue.

We also receive charitable income from Foundations and Trusts, and Individual Donors.

The Art House manages its financial risks carefully through a considered reserves policy, an active risk register, and on-going fundraising and income generation development.

Principle funding

The Charity's principal sources of funding are:

Core: Arts Council England, Earned Income
Projects: Historic England, NHS Leeds Hospital Charity, Misc. trusts and foundations
Awards: Calouste Gulbenkian Award for Civic Arts Organisations

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Fundraising disclosure
We are committed to following the Code of Fundraising Practice and over the course of the next year we will register with the Fundraising Regulator to recognise this. We also adhere to all relevant Chartered Institute of Fundraising guidance. The Art House has strong ethics and over the next two years will be developing an Ethical Fundraising Policy to reflect this. Once approved it will be monitored by Trustees. All professional fundraisers representing us understand the standards we expect and are Individual Members of the Chartered Institute of Fundraising. Our fundraising effort involves encouraging donations and gifts, and hosting events. We will always take action if others acting on our behalf fail to meet our high standards and we will never sell the data we hold to anyone else or share it without consent or having a legitimate reason to do so. The Art House has a procedure for handling complaints and we are committed to dealing with all complaints constructively, impartially and effectively. We will make every effort to ensure that all complaints receive a complete, accurate and timely response and no complaint is ever disregarded. We have a robust Safeguarding Policy in place. We provide options to unsubscribe to enable individuals to opt out from receiving fundraising communications from us.

Future developments

Following a successful pilot period, Wakefield Safespace's out of hours mental health support which was based at The Art House has outgrown our facilities and moved to their own dedicated building. We have been pleased to support Safespace and wish them every success in their new space. This change offers us an opportunity to maximise evening meeting room and events bookings, with two meeting rooms and our co-working space available once more.

More broadly, we see the next year as a key moment to build our earned income streams across the board, from increasing meeting room and events bookings, to growing our coffee house and shop offer. Numbers are steadily improving and we intend to use our increased Marketing and Visitor Services capacity to push this as far as possible.

Our Makey Wakey model is beginning to roll out to Salford Quays, with the first few licenses signed. Next steps will be to implement the scheme's new branding 'Salford Loading…' across the units and forge relationships with local arts and third sector organisations to support their programming.

Returning to our theme for this year, 'restore/recover', the next 12 months will be much the same as the team focuses on navigating the road back from a challenging pandemic period. We expect to be presented with difficult decisions and new opportunities in equal measure and we are prepared to manage both situations carefully and with the agility that is a hallmark of The Art House's approach to achieving its aims and serving its communities.

Plans for future periods

As of this writing (October 2023), The Art House has had time to adjust to the disappointing news that our uplift request to Arts Council England was not granted. While we will continue to receive funding at a stand-still level (the amount set in 2017), this does reflect a real-terms cut in income and also does not adjust for the significant growth we've had over the last NPO period.

We have come to the conclusion that a new business model is required if we are to maintain our current capacity, meet the economic and funding challenges facing the arts sector, and continue to deliver the innovative impact that we are having for both artists facing barriers and the wider Wakefield community. We believe that we can continue to harness the entrepreneurial talent of the organisation to generate new sources of earned income that will also simultaneously increase our civic and social impact and help us to demonstrate the full potential that an arts organisation can have in its community.

The development and implementation of this new business model will require some different skill sets across the organisation, particularly at Board level. As such, in February of 2023, after a difficult period of soul searching for the

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organisation, five of the current seven trustees stepped down in order to make way for three new trustees with stronger commercial experience.

The Art House is an extraordinary organisation made up of a passionate, creative and entrepreneurial community. We know that the unswerving commitment to co-creation, dissolving barriers between art and social impact, and the clear and inspirational vision that was noted by the Gulbenkian Civic Arts Award panel reflects the core of who we are. Staying true to these commitments will enable us to continue to evolve and grow so that we can successfully meet the challenges that lie ahead.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Creative Art House for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2011 and applicable accounting regulations. 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.

Disclosure of information to auditor
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Approved by:
Emma Adair
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Emma Adair
Chair of Trustees

Date: 09 October 2023

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CREATIVE ART HOUSE

Opinion

We have audited the financial statements of The Creative Art House for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.2 which explains that the going concern basis of preparation is reliant on a cash flow forecast model which is dependent on the ongoing support of the Arts Council of England. At the date of approving the financial statements, the timing and quantum of grant receipts from the Arts Council of England throughout the going concern period of review are not yet confirmed. These conditions indicate the existence of a material uncertainty which may cast doubt over the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

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Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales .

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might

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involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.
A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

Sally Appleton (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Chartered Accountants
Statutory Auditors
Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX
Date: 9 October 2023

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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THE CREATIVE ART HOUSE
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 (revised) £
Income from:					
Donations and legacies	3	355,678	199,756	555,434	483,658
Charitable activities	4	86,972	-	86,972	49,878
Other trading activities	5	222,326	2,200	224,526	74,903
Investments	6	12	-	12	125
Other income	7	158,001	-	158,001	433,127
Total income		**822,989**	**201,956**	**1,024,945**	1,041,691
Expenditure on:					
Raising funds	8	281,734	58,107	339,841	209,008
Charitable activities	9	632,304	182,295	814,599	758,773
Total expenditure		**914,038**	**240,402**	**1,154,440**	967,781
Net income/(expenditure)		**(91,049)**	**(38,446)**	**(129,495)**	73,910
Transfers between funds	18	38,258	(38,258)	-	-
Net movement in funds		**(52,791)**	**(76,704)**	**(129,495)**	73,910
Reconciliation of funds:					
Total funds brought forward		276,457	3,449,424	3,725,881	3,651,971
Total funds carried forward		**223,666**	**3,372,720**	**3,596,386**	3,725,881

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 22 to 45 form part of these financial statements.

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THE CREATIVE ART HOUSE
(A company limited by guarantee)
REGISTERED NUMBER: 3345162

BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2022

	Note		2022 £		2021 (revised) £
Fixed assets					
Intangible assets	14		**-**		1,583
Tangible assets	15		**3,401,063**		3,509,376
			3,401,063		3,510,959
Current assets					
Debtors	16	**297,447**		151,480	
Cash at bank and in hand		**29,257**		227,848	
		326,704		379,328	
Creditors: amounts falling due within one year	17	**(131,381)**		(164,406)	
Net current assets			**195,323**		214,922
Total net assets			**3,596,386**		3,725,881
Charity funds					
Restricted funds	18		**3,372,720**		3,449,424
Unrestricted funds	18				
Designated			**-**		80,000
General			**223,666**		196,457
Total funds			**3,596,386**		3,725,881

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BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:
Emma Adair
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Emma Adair
Chair of Trustees

Date: 09 October 2023

The notes on pages 22 to 45 form part of these financial statements.

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THE CREATIVE ART HOUSE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	**(119,160)**	243,452
Cash flows from investing activities			
Bank interest		**12**	125
Purchase of tangible fixed assets		**(79,443)**	(49,004)
Net cash used in investing activities		**(79,431)**	(48,879)
Cash flows from financing activities			
Net cash provided by financing activities		**-**	-
Change in cash and cash equivalents in the year		**(198,591)**	194,573
Cash and cash equivalents at the beginning of the year		**227,848**	33,275
Cash and cash equivalents at the end of the year	22	**29,257**	227,848

The notes on pages 22 to 45 form part of these financial statements

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1. Accounting policies

1.1 Basis of preparation of financial statements

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

The Creative Art House 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. The financial statements are prepared under the historical cost convention in £ sterling, which is the functional currency of the charity, and rounded to the nearest £1.

The Trustees have taken the opportunity in the financial statements for the year ended 31 March 2022 to reclassify certain income and costs in the Statement of Financial Activities such that the statutory results are consistent with management information. This has resulted in the revision of certain comparatives figures.

1.2 Going concern

As part of their consideration of the going concern basis of preparation, the Trustees have prepared and reviewed cash flow forecasts under a number of different scenarios to take into account several key factors and risks in assessing the forecast cash flows of the organisation.

As part of this review, the Trustees have focussed on a base-case scenario which has shown that the Charity is expected to remain cash positive for a period of 18 months from the approval of the financial statements, however it is acknowledged that cash flow management across this period will be very tight with low levels of financial headroom available in certain periods. Crucially, it is acknowledged that this model is reliant on the ongoing support of the Arts Council of England as the key source of unrestricted funding. Although the Arts Council of England is formally committed to providing funding through to March 2024, the receipt of this income is dependent on specific payment conditions being met. In addition, the model assumes that funding will continue to be provided by the Arts Council of England from March 2024 onwards. Whilst at the time of approving the financial statements the Trustees do not have any indication that the Arts Council of England will not continue to support the charity beyond March 2024, the timing and quantum of this funding has not yet been formally confirmed which represents a key uncertainty within the forecast model.

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

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.
Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.
Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

1.5 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 institution with whom the funds are deposited.

1.6 Taxation

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

1.7 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Website	-	33 %	Straight line

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1. Accounting policies (continued)

1.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Long-term leasehold property	- over 35 years straight line
Short-term leasehold property	- over 24 years straight line
Fixtures and fittings	- 15% per annum straight line
Office equipment	- 15% per annum straight line
Computer equipment	- over 3 years straight line
Art work pieces	- 15% per annum straight line

Leasehold land is not depreciated.

In the year of acquisition computer, office equipment, fixtures and fittings are depreciated from the start of the year.

1.9 Debtors

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

1.10 Cash at bank and in hand

Cash at bank and 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.

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1. Accounting policies (continued)

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.12 Financial instruments

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

1.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.14 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.15 Fund accounting

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

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

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

1.16 Employee benefits

The costs of short term employee benefits are recognised as an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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1. Accounting policies (continued)

1.17 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. General information

The charity is a company limited by guarantee registered in England and Wales. The members of the company are the Trustees. 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.

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3. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations			
Donations including gift aid	529	-	529
Grants			
Arts Council England - Core Grant	251,631	-	251,631
Arts Council England - Culture Recovery and Capital	-	78,426	78,426
Partnership income	164	-	164
Studio of sanctuary	1	-	1
Other grants	101,250	120,650	221,900
Membership fees	2,103	-	2,103
Income from donations and legacies: Other income	-	680	680
	355,678	199,756	**555,434**

Income from donations and legacies (comparative)

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations			
Donations including gift aid	2,035	-	2,035
Grants			
Arts Council England - Core Grant	251,634	-	251,634
Arts Council England - Culture Recovery and Capital	-	176,655	176,655
Partnership income	1,425	-	1,425
Studio of sanctuary	-	35,351	35,351
Artwalk	-	-	-
Other grants	9,001	6,500	15,501
Membership fees	1,057	-	1,057
	265,152	218,506	483,658

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4. Income from charitable activities

	Unrestricted funds 2022	Total funds 2022	Total funds 2021 (revised)
	£	£	£
Provision of art facilities	86,972	**86,972**	49,878
Total 2021 (revised)	49,878	49,878	

	2022	2021 (revised)
	£	£
Provision of art facilities		
Studio rental	**48,302**	37,286
Studio service charge	**6,721**	5,011
Studio virtual	**1,510**	666
Print Room	**24,309**	6,915
Dark Room	**2,744**	-
Ceramic Studio	**3,386**	-
	86,972	49.878

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5. Income from other trading activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Room hire and flat	11,101	-	11,101
Off-site management	83,645	-	83,645
Contracts for services	73,983	2,200	76,183
Other income	23,147	-	23,147
Coffee House	24,529	-	24,529
Shop income	5,921	-	5,921
	222,326	2,200	**224,526**

Income from other trading activities (comparative)

	Unrestricted funds 2021 (revised) £	Restricted funds 2021 (revised) £	Total funds 2021 (revised) £
Room hire and flat	853	-	853
Off-site management	64,775	-	64,775
Contracts for services	(3,000)	-	(3,000)
Other income	12,275	-	12,275
	74,903	-	74,903

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6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Interest received	12	**12**	125
Total 2021	125	125	

7. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Coronavirus Job Retention Scheme	-	-	56,398
Coronavirus-related support funding	158,001	158,001	376,729
	158,001	**158,001**	433,127
Total 2021	433,127	433,127	

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8. Expenditure on raising funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Fundraising	210	-	210
Premises costs	42,674	3,753	46,427
Office costs	17,386	660	18,046
Marketing	22,213	-	22,213
Professional fees	57,247	-	57,247
Catering & room hire expenses	79	-	79
Other staff costs	11,815	-	11,815
Staff costs	121,322	-	121,322
Depreciation	8,788	53,694	62,482
	281,734	58,107	**339,841**

Expenditure on raising funds (comparative)

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Premises costs	26,268	-	26,268
Office costs	38,240	-	38,240
Catering & room hire expenses	122	-	122
Other staff costs	5,423	-	5,423
Staff costs	79,795	-	79,795
Depreciation	5,820	53,340	59,160
	155,668	53,340	209,008

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9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	**Total funds 2022 £**	Total funds 2021 £
Provision of art facilities	632,304	182,295	**814,599**	758,773
Total 2021	477,139	281,634	758,773	

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	**Total funds 2022 £**	Total funds 2021 £
Provision of art facilities	708,993	105,606	**814,599**	758,773
Total 2021	648,966	109,807	758,773	

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10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	180,775	81,265
Depreciation	126,858	120,912
Artistic programme costs	79,258	7,723
Other project costs	159,610	70,859
Coffee House costs	16,289	-
Shop costs	4,171	-
Premises costs	94,261	74,044
Office costs	36,636	77,639
Coronavirus business support	-	208,099
Governance costs	11,135	8,425
	708,993	648,966

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	**105,606**	109,807

11. Auditor's remuneration

	2022 £	2021 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	**9,400**	8,425

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12. Staff costs

	2022	2021
	£	£
Wages and salaries	**376,172**	253,928
Social security costs	**24,749**	12,623
Contribution to defined contribution pension schemes	**6,782**	4,316
	407,703	270,867

The average number of persons employed by the charity during the year was as follows:

	2022	2021
	No.	No.
Employees	**22**	16

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration including employer's NI and pension attributable to the senior management team for the year was £150,792 (2021: £82,663).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

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14. Intangible assets

	Website £
Cost	
At 1 April 2021	**9,503**
At 31 March 2022	**9,503**
Amortisation	
At 1 April 2021	**7,920**
Charge for the year	**1,583**
At 31 March 2022	**9,503**
Net book value	
At 31 March 2022	**-**
At 31 March 2021	1,583

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15. Tangible fixed assets

	Long-term leasehold property £	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation							
At 1 April 2021	**2,554,576**	**2,346,768**	**127,386**	**38,136**	**50,600**	**9,160**	**5,126,626**
Additions	**-**	**-**	**57,419**	**19,246**	**2,778**	**-**	**79,443**
At 31 March 2022	**2,554,576**	**2,346,768**	**184,805**	**57,382**	**53,378**	**9,160**	**5,206,069**
Depreciation							
At 1 April 2021	**857,849**	**586,692**	**92,994**	**38,136**	**32,419**	**9,160**	**1,617,250**
Charge for the year	**64,926**	**97,782**	**12,433**	**1,718**	**10,897**	**-**	**187,756**
At 31 March 2022	**922,775**	**684,474**	**105,427**	**39,854**	**43,316**	**9,160**	**1,805,006**
Net book value							
At 31 March 2022	**1,631,801**	**1,662,294**	**79,378**	**17,528**	**10,062**	**-**	**3,401,063**
At 31 March 2021	1,696,727	1,760,076	34,392	-	18,181	-	3,509,376

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Tangible fixed assets (continued)

Included in long term leasehold property is land at a value of £288,000 which is not depreciated (2021: £288,000).

16. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	**73,258**	26,680
Prepayments and accrued income	**205,143**	121,017
Tax recoverable	**19,046**	3,783
	297,447	151,480

17. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	**74,844**	43,452
Other taxation and social security	**13,117**	2,439
Other creditors	**6,752**	9,979
Accruals and deferred income	**36,668**	108,536
	131,381	164,406

	2022	2021
	£	£
Deferred income		
Deferred income at 1 April 2021	**-**	2,500
Resources deferred during the year	**-**	-
Amounts released from previous years	**-**	(2,500)
Deferred income at 31 March 2022	**-**	-

Deferred income relates to grants and fees received in advance.

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18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Committed programmes	**80,000**	**-**	**(80,000)**	**-**	**-**
General funds					
General Funds	**196,457**	**822,989**	**(834,038)**	**38,258**	**223,666**
Total Unrestricted funds	**276,457**	**822,989**	**(914,038)**	**38,258**	**223,666**
Restricted funds					
Capital Project - Drury Lane	**1,655,824**	**-**	**(63,428)**	**-**	**1,592,396**
Capital Project - Carnegie Library	**1,665,494**	**-**	**(94,072)**	**-**	**1,571,422**
Wakefield Council - Capital fundraising	**-**	**48,866**	**(17,150)**	**(31,716)**	**-**
Library lease	**93,752**	**-**	**(5,208)**	**-**	**88,544**
Creative Aging	**1,414**	**-**	**(1,414)**	**-**	**-**
Infrared hearing system	**2,000**	**-**	**(2,000)**	**-**	**-**
Studio of Santuary	**17,201**	**680**	**(17,881)**	**-**	**-**
Studio of Santuary - Individuals	**5,000**	**-**	**(5,000)**	**-**	**-**
Capital funding	**3,606**	**-**	**(3,606)**	**-**	**-**
Tudor Trust - Staff Wellness Programme	**2,000**	**-**	**(2,000)**	**-**	**-**
Creative Minds BAME Project		**2,200**	**(1,122)**	**-**	**1,078**
Leeds Hospital Charities (NHS) Re-Emerge	**-**	**75,000**	**(14,838)**	**-**	**60,162**
ACE Culture Recovery Fund	**3,133**	**-**	**(3,133)**	**-**	**-**
Historic England	**-**	**29,560**	**(2,905)**	**-**	**26,655**
Light up grant	**-**	**9,000**	**(4,275)**	**-**	**4,725**
Creative Minds Talk and Draw	**-**	**4,300**	**(1,078)**	**-**	**3,222**

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Tourism Recovery Grant	-	**14,950**	**(1,292)**	**(6,542)**	**7,116**
Nova Grant	-	**17,400**	-	-	**17,400**
	3,449,424	**201,956**	**(240,402)**	**(38,258)**	**3,372,720**
Total of funds	**3,725,881**	**1,024,945**	**(1,154,440)**	-	**3,596,386**

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Committed programmes	-	-	-	**80,000**	**80,000**
General funds					
General Funds	**62,332**	**823,185**	**(632,807)**	**(56,253)**	**196,457**
Total Unrestricted funds	**62,332**	**823,185**	**(632,807)**	**23,747**	**276,457**

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18. Statement of funds (continued)

Restricted funds – prior year

Capital Project - Drury Lane	1,719,252	-	(63,428)	-	1,655,824
Capital Project - Carnegie Library	1,758,495	-	(93,001)	-	1,665,494
Library lease	98,960	-	(5,208)	-	93,752
Creative Aging	-	6,820	(5,406)	-	1,414
Infrared hearing system	2,000	-	-	-	2,000
Studio of Santuary	31	35,351	(18,181)	-	17,201
Studio of Santuary - Individuals	2,500	2,500	-	-	5,000
Community Foundation	4,820	(4,820)	-	-	-
Creative Minds	(25)	-	-	25	-
Capital funding	3,606	28,622	(4,850)	(23,772)	3,606
Tudor Trust - Staff Wellness Programme	-	2,000	-	-	2,000
ACE Culture Recovery Fund	-	148,033	(144,900)	-	3,133
	3,589,639	218,506	(334,974)	(23,747)	3,449,424

Total of funds

	3,651,971	1,041,691	(967,781)	-	3,725,881

Capital Project - Drury Lane
Funded by grants from the Arts Council Lottery and others towards the cost of developing a permanent home for the charity. The fund balance represents the cost of initial planning, leasehold land, professional fees, construction and equipment in relation to The Art House Building, less depreciation charged.

Capital Project - Carnegie Library
Funded primarily by grants from the Arts Council Lottery towards the costs of developing the Carniegie Library into an extension to the Art House Building. The initial professional fees and project set up costs ahead of the construction phase have been written off to revenue. £50,000 of the charity's reserves have been put towards the project.

Library lease
This is a 25 year lease from Wakefield Metropolitan District Council for use of the Carnegie Library. The lease was signed in January 2014 and depreciation has commenced from May 2015, on completion of the building.

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Creative Aging
Funding provided by Creative Minds to run a bespoke series of art workshops for Dementia Patients and their carers.

Infrared hearing system
Funding from West Riding Masonic Charities Limited towards a new infrared hearing system.

Studio of Sanctuary
This is the fund where we raise money for the Studio Of Sanctuary Residency Programme & Community Engagement Project.

Studio of Sanctuary - individuals
Support for the professional development of individual asylum seekers/refugees who are participating in the Studio of Sanctuary programme.

Community Foundation
Funding from iWill (Leeds Community Foundation) for our forthcoming “Young Associates Programme”

Creative Minds
Grant to support Arts and Health classes.

Capital funding
Amounts received towards capital projects.

Tudor Trust - Staff Wellness Programme
Amounts received to support staff, volunteer and Trustee wellbeing.

Creative Minds BAME Project
Funding for Afghan Families Project

Leeds Hospital Charities (NHS) Re-Emerge
Grants to fund Arts & Health activities to support post Covid mental health recovery

ACE Culture Recovery Fund
Grant to support the charity during covid related restrictions.

Nova Grant
Mental heath and Early years support agreement

Tourism Recovery Grant
Covid Recovery Project

Creative Minds Talk and Draw
Interactive workshop for Asylum seekers, refugees and the local community of all age groups

Light up grant
Grant to commission a light projection piece for the exterior of the building for the councils light up festival. Grant used to support school workshops making lanterns & a lantern parade at Edgeland Arts

Historic England
Outreach to ownership- research funding to assess the impact of our Makey Wakey (offsite studios) project

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Transfers
Transfers to unrestricted funds are made where the conditions on the restricted funds have been fully met.

19. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	80,000	-	(80,000)	-	-
General funds	196,457	822,989	(834,038)	38,258	223,666
Restricted funds	3,449,424	201,956	(240,402)	(38,258)	3,372,720
	3,725,881	**1,024,945**	**(1,154,440)**	**-**	**3,596,386**

Summary of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	-	-	-	80,000	80,000
General funds	62,332	823,185	(632,807)	(56,253)	196,457
Restricted funds	3,589,639	218,506	(334,974)	(23,747)	3,449,424
	3,651,971	1,041,691	(967,781)	-	3,725,881

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	78,599	3,322,464	**3,401,063**
Current assets	271,448	55,256	**326,704**
Creditors due within one year	(126,381)	(5,000)	**(131,381)**
Total	223,666	3,372,720	**3,596,386**

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Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	94,307	3,415,069	3,509,376
Intangible fixed assets	1,583	-	1,583
Current assets	339,573	39,755	379,328
Creditors due within one year	(159,006)	(5,400)	(164,406)
Total	276,457	3,449,424	3,725,881

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**(129,495)**	73,910
Adjustments for:		
Depreciation charges	**187,756**	176,904
Amortisation charges	**1,583**	3,168
Bank interest	**(12)**	(125)
(Increase)/decrease) in debtors	**(145,967)**	(107,811)
Increase/(decrease) in creditors	**(33,025)**	97,406
Net cash provided by/(used in) operating activities	**(119,160)**	243,452

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22. Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash in hand	**29,257**	227,848
Total cash and cash equivalents	**29,257**	227,848

23. Analysis of changes in net debt

	At 1 April 2021	**Cash flows**	**At 31 March 2022**
	£	**£**	**£**
Cash at bank and in hand	**227,848**	**(198,591)**	**29,257**
	227,848	**(198,591)**	**29,257**

24. Pension commitments

The pension cost charge represents contributions payable by the charity into a defined contribution scheme and amounted to £6,782 (2021 - £4,316). Contributions totalling £1,568 (2021 - £NIL) were payable to the scheme at the balance sheet date.

25. Operating lease commitments

At 31 March 2022 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	**1,660**	1,660
Later than 1 year and not later than 5 years	**138**	1,798
	1,798	3,458

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26. Related party transactions

Trustees made donations to the charity totalling £NIL in the year (2021: £NIL)

THE CREATIVE ART HOUSE

England & Wales - Charity number 1063671

Accounts

Registered number: 3345162
Charity number: 1063671

THE CREATIVE ART HOUSE

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

THE CREATIVE ART HOUSE

(A company limited by guarantee)

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THE CREATIVE ART HOUSE

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 MARCH 2021

Trustees	C A Wills, Chair J Glaister (Resigned 11 November 2020) N Wilson (Resigned 11 November 2020) A Asres (Appointed 11 November 2020) E Wood (Appointed 11 November 2020) T Raabe-Webber (Appointed 11 November 2020) B Esapathi (Appointed 11 November 2020) S Hansom (Appointed 11 November 2020) J Cook M Faull
Company registered number	3345162
Charity registered number	1063671
Registered office	The Art House Drury Lane Wakefield WF1 2TE
Chief executive	S Thornbury
Independent auditor	BHP LLP Chartered Accountants Rievaulx House 1 St Mary's Court Blossom Street York YO24 1AH
Bankers	Unity Tust Bank plc 9 Brindley Place Birmingham B1 2HB
Solicitors	Hempsons The Exchange Station Parade Harrogate HG1 1DY

INTRODUCTION FROM THE CHAIR

FOR THE YEAR ENDED 31 MARCH 2021

The chair presents her statement for the year.

There are times, there are moments, when more is possible. In March 2020, The Art House Staff and Trustees finally raised their heads from implementing a successful two year turn around plan, only to be met by the challenges of a pandemic staring them back in the face.

Yet, this incredible team of hard working and values-driven individuals rose to the challenge, and successfully navigated the organisation in a way that surpassed any of our expectations. Not without fear, heartache, and a lot of hard work. But always driven by a firm belief in and commitment to our community of artists and the wider people of Wakefield.

At The Art House, we regularly ask ourselves, What is the fullest role an Arts Centre can play in its community? The pandemic has provided us with a myriad of answers to that question.

We've supported food distribution to needy families through a partnership with The Real Junk Food Project. The NHS contracted us to house the new Safe Space, a seven night a week drop-in emergency mental health service run by three local mental health charities. We provided remote art workshops for people with dementia and their carers, as well as for refugees and asylum seekers. During the holidays we distributed 1,000 creative gift boxes to struggling families, including those in the homeless accommodation across our street. We worked with NOVA and the Leeds Community Foundation to leverage the money we had been granted from the Small Business Support grants for our interim use spaces and distributed over £208,000 of financial support to local artists and creative entrepreneurs who were slipping through the government's relief programmes. And to keep up our community's (and our own) morale, we planted 1,000 sunflowers around The Art House.

While Covid has been challenging for us, impacting both our earned income streams and our programming, it has also called upon us to go deeper into the role we could play in our community than even we had imagined. And as we begin to tentatively emerge from the pandemic and begin to operate in this new post-covid world, we want to hang onto that.
In November 2020, we saw the scheduled stepping down of two long-serving trustees in November of 2020, Jane Glaister and Nigel Wilson. I would like to thank them on behalf of the organisation for their dedicated service over the years. We wish them the best for the future.

After a very successful recruitment campaign, we were delighted to welcome five new trustees to the board, who now make up the most diverse board in The Art House's history. They are a gifted group and are committed to supporting this next phase of The Art House's development.

The coming year will no doubt bring more challenges as we adjust to a new reality; however, we have more faith than ever in the power that art has to make a difference in people's lives and in the communities they live in. We know that we will rise to meet whatever lay ahead.

I would like to thank the Trustees of The Art House and the fantastic Art House staff, who have worked so very hard over this last year. I would also like to pay tribute to all of the studio holders, resident artist and stakeholders that have weathered this journey with us. Your courage and humanity have been inspiring



Anamaria Wills, Chair
Date: 18 October 2021

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the charity for the 1 April 2020 to 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The prime objectives of the organisation are to enable disabled and non-disabled visual artists to access opportunities to develop their creative practice, in an inclusive and accessible environment, through:

1. Supporting artists to develop their practices, reach new audiences and cultivate wider networks.
2. Actively promoting and establishing equality in the visual arts for disabled and non disabled artists.
3. Providing residencies, exhibitions, training, membership and one to one advice.

The Art House is an organisation working towards equal access for ALL artists, focused on identifying, highlighting and removing physical, philosophical, educational, social and economic barriers for Visual Artists.

As such, we have expanded our work to include other marginalised artists and creative practitioners. For example our Studio of Sanctuary programme is the first of its kind in the UK to provide free professional development, studio space and pastoral support for asylum seekers and refugee artists.

In addition, we are also highly committed to using arts and creativity to engage and empower the people of Wakefield. As such, we have opened the organisation out to the community - providing a range of social impact projects, public classes and events. We are also working with the council and local businesses to help regenerate Wakefield through arts, culture and the creative industries.

Objectives and activities (continued)

b. Activities undertaken to achieve objectives

The Art House buildings are fully accessible and include 50 studio spaces for artists, makers and creative businesses. We also have a fully equipped and staffed print studio, meeting rooms, an exhibition gallery, an event space, residency accommodation, a coffee house and a maker's shop.

Through its Artistic Programme, The Art House provides time, space and support for artists to develop their work and connect with audiences through:

- Residencies and artist commissions
- Artist Mentoring
- Artist-led sharing of best practice
- Physical and virtual exhibitions, workshops and events

Our Social Impact and Public Engagement Activities include:

- Producing the bi-monthly Artwalk, Wakefield's creative late night out
- Being the first 'Studio of Sanctuary' in the UK for artists and makers who are seeking asylum
- Arts and Health programmes in a dedicated Arts and Health studio
- Producing special events and festivals
- Providing interim use space for artists, charities and community groups
- Classes and workshops in printmaking and other art forms for the public and artists

The Trustees have considered the Charity Commission's general guidance on public benefit when reviewing the activities for the year. Further information on the activities which provided public benefit during the year is provided below.

Achievements and performance

a. Key performance indicators

The Charity's key financial performance indicators are based on targets set for:

Earned Income: income from studio occupancy, meeting and event space rentals, public courses and classes and contracts for services, as well as their related expenses

Charitable Income: primarily from the Arts Council England NPO, as well as from other statutory or charitable sources and individual donors.

Achievements and performance (continued)

b. Review of activities

2020-21 will forever be known as the year of Covid-19. In fact, as of this writing (October 2021), we are still feeling the effects and fallout of the pandemic. We have re-opened and the public is beginning to come back to courses and events; however staffing capacity and operations are still being affected by the pandemic and there will continue to be a period of recovery, both economically and emotionally, as well as an unknown landscape ahead as we discover how the fall-out from Covid impacts our ongoing operations, capacity and community.

While Covid has been challenging for us, impacting both our earned income streams and our programming, it has also called upon us to go deeper into the role we could play in our community than even we had previously imagined. It has brought into stark relief the potential there is for The Art House to play a radical and transformative role for creatives and communities in Wakefield. The pandemic has galvanized us to stay on this path and continue to explore.

We closed due to Covid-19 from the 19th of March 2020. 90% of our earned income streams dried up immediately. We also refunded bookings, gave a rent moratorium to Studio holders and honoured all contracts with artists and freelancers.

We put the organisation into stasis upon the first lockdown. We furloughed all staff except the CEO and Marketing Director. We re-budgeted for the year, sensitively cutting core costs while trying to protect jobs and our capacity to bounce back. We repurposed NPO funds.

We received £376,729 of Small Business Grants over the course of the pandemic, and are proud to say that we re-granted out £208,099 to local artists and creative businesses who were falling through the cracks of Government relief and really struggling. We weren't just trying to save the livelihoods of people we work with, but also the local cultural infrastructure we rely on for business. One local artists who runs creative programmes for learning disabled young people noted:
'I can't explain the relief you have created by giving us this grant. I cannot afford to cover all the staff costs with the small contributions that members give and I didn't want to increase the fees. There is such a desperate need to get these sessions back up and running, and many parents and carers have said how many of the members have deteriorated and are in need of the stimulation.' This grant means I don't need to worry financially for these classes and I don't have to take another pay cut which was what is was looking likely to have to happen.'

In July we re-opened safely to studio holders. In September we safely re-opened the print room to the public for classes, courses and studio use and we also were awarded a Culture Recovery Grant to support re-opening efforts scheduled for January.

Unfortunately, the winter 2020 Lockdown came into force before January, and we did not actually re-open fully to the public until May 2021.

Throughout the pandemic period, we have maintained meaningful relationships with our studio holders, resident artists, audiences, our course participants; with our partners, our community groups and with the local authorities. This may be why studio rentals have not dropped off and our engagement figures were still impressive last year, despite being closed. Our staff, and the organisation as a whole, proved resilient over the pandemic, although this is not to say that it has not taken a deep emotional and physical toll.

The early signs are that the emerging business model since the turnaround in 2017-2019 had proven to be the right one for the organisation, however, The Art House remains engaged in deep thinking about how to navigate a post-Covid era.

Achievements and performance (continued)

Business Developments and New Initiatives

Income

- While lockdown wiped out our earned income streams from room bookings, classes and courses, over the course of the pandemic we were able to replace some of this lost earned income through other means of income generation, resulting in a total decline of earned income of 38% on the previous year, as opposed to the 90% that we saw at the beginning of the first lockdown.
- Trustees decided to suspend Studio Holder rents during lockdown periods, in an effort to support artists' livelihoods during what was an extremely difficult time for them and other creative freelancers. Although we feared that the pandemic would result in a decrease of studio rentals, this has not in fact materialised. We are pleased to say that studios are still at capacity with a waiting list. This statement from one of our relieved artists captures the relief they have all expressed: ***'This is amazing news, and in such bleak times. I've been reduced to one day at the school with no furlough so hit pretty hard this time. Thank you.'***
- We were awarded a Culture Recovery Fund Grant of £161,00 which, along with the Furlough Scheme, proved instrumental to us weathering the pandemic.
- We were awarded £376,729 of Small Business Support money over the pandemic, as we qualified for it for each of the Makey Wakey interim use spaces that we manage. We re-granted £208,099 of this money out to artists and creative businesses across Wakefield who were falling through the cracks of the government funding schemes. We also worked with NOVA and The Wakefield District Health and Community Support Charity, who were distributing the Leeds Community Foundation Net Recovery Funds, in order to leverage our funds together to ensure the most effective distribution of funds across the local creative sector. Another grant recipient, BEAM, an arts producing organisation, noted: *'On behalf of Beam and the Board of Trustees I am writing to thank you and the Trustees of The Art House for your support for Beam through your consultation, negotiation and advocacy on our behalf and for your role in redistributing funds from the government's Small Business Emergency Grant Relief scheme. This unrestricted grant will help to sustain our organisation in this time of crisis and support the freelancers that we regularly work with.'*
- We were commissioned by The NHS to house the new Safe Space, an out of hours emergency mental health drop-in service run by three local mental health charities. We are incredibly proud to be involved with this project, as it enables The Art House to play a role in helping with the enormous increase of mental health issues facing our communities as a result of the pandemic.
- We were contracted by Peel Plc to expand our Makey Wakey programme to Salford's Media City
- We were approached by Rushbond Plc about interim use of The Court House, which they are taking on as part of their new Civic Quarter Development of 100 homes in central Wakefield.

Cap Ex Works

- After stalling due to the first lockdown, we were able to proceed with the improvement works we had received funding for through the Arts Council's Small Capital Expenditure Scheme in 2019. This included renovating the old bin store to provide additional storage space, undertaking improvement works to the event space and meeting rooms, investing in an online CRM and Room booking and project management system, and upgrading our computers. We also improved the gallery space through installing museum quality lighting and re-decorating.
- We were able to work with ACE to re-purpose parts of the grant to meet the new ways of working that were emerging from Covid, for example, installing technology to enable professional quality video conferencing in both our board room and our large event space in order to better enable a future of hybrid meetings and conferences.
- Combining the re-purposed CapEx grant with the Culture Recovery Scheme funding enabled us to undertake significant building work in the foyer and event-space. Not only did this create a more spacious and ventilated area, but has greatly enhanced the flow and created an more open and welcoming feel to the space.

Achievements and performance (continued)

Staff

- We made no redundancies during the pandemic, and in fact used the grants we received to employ freelancers and expand staff in order to support our local creatives and our community.
- We furloughed all but the CEO and Marketing Director during the 1st lockdown. Over the course of the year, we continued to furlough the majority of staff, but took advantage of flexible furlough once it was introduced.
- The emotional, mental health and physical toll on the staff during Covid and lockdown cannot be under-stated. This applied across the board – both to those who worked all the way through lockdowns and those who were furloughed. Trustees took the emotional and mental health needs of the staff seriously and instituted an employee wellbeing programme, which included online yoga and meditation classes and the opportunity to see a therapist for six sessions if needed.
- Communication with staff was active over lockdown, with regular video team meetings, e-newsletters and informal chats. There remained a definite sense that we were all in it together.

Trustees

- We saw the scheduled stepping down of two long-serving trustees in November of 2020, Jane Glaister and Nigel Wilson. Their service to the organisation over the years was very much appreciated.
- The Chair of Trustees initiated and led on a comprehensive skills audit of the board. The result of this was a formal advertising campaign to recruit new trustees. We were delighted to receive a number of highly qualified applications, and from these we selected five new Trustees which represent a wide array of backgrounds and has resulted in creating the most diverse board we have ever had. Each trustee now carries responsibility for a different area of the business, and provides a mentoring and 'soundboard' role for the member of staff responsible for that area.
- The board was engaged with and responsive to the needs of the charity during the pandemic – working in a responsive and flexible way using video conferencing and devolved decision making systems as needed to ensure successful navigation and governance during such an unprecedented time.
- Despite all of the upheaval of the last year, the new board has also been systematically developing itself through a formal review of sections of the Code of Governance at each meeting. This has resulted not only in Trustees better knowing their roles, but also in guiding Trustees on key thinking necessary for this next stage of the charity's journey.

Artistic Programme

Access and Diversity

Accessibility, diversity and equality are our founding principles and much of our work in this area has been sector leading over the last 28 years. We know the arts have a vital role to play in modelling a diverse and inclusive society, especially for our local area which is 96% white British. We were proud to be rated 'Outstanding' in 2021 by Arts Council England for our focus on access and diversity: 'The Art House (TAH) continues to take a leading role in championing the Creative Case for Diversity across the sector.'

TAH have an advanced strategic approach to addressing barriers within the sector for artists from underrepresented backgrounds with a broad focus on inclusion and equalities (e.g. significant programmes around refugee and asylum seekers, visible disabilities, neuro-diversity and health agendas) TAH has pioneered the UK's first 'studio of sanctuary' to offer provision for refugee and asylum seekers. TAH are one of few fully disability accessible studio buildings, which supports talent with the delivery of residencies, international residencies, live/work, showcase exhibitions, artist talks, events and commissioning collaborations across the national cultural landscape, ensuring that diverse artists are presented and profiled. Work with the diverse studio holders has championed inclusion and promoted fair-pay as an equality agenda under the creative case.

During the pandemic, TAH has delivered a programme of grants supporting artist livelihoods, especially for those from (or working with) asylum seekers, the disabled, or those from other marginalised backgrounds. There is a highly advanced

Achievements and performance (continued)

organisation-wide approach to inclusion and the creative case at the centre of all the organisation's work and decision making at board level.'

Audiences, Social impact and Engagement Work
The Art House is a crucial part of Wakefield's creative infrastructure, and this pandemic year proved that more than ever. In April, we postponed the residencies and artistic programme we had planned for the year, still making the fees available to artists who wanted them paid during that time. We then pivoted to focus on what we could do to support artists and the most vulnerable in our communities to get through lockdown and the pandemic. These activities included:

Practical Responses to the pandemic in our community

- As mentioned above, we granted out £208,000 in direct funds to artists and creative enterprises across Wakefield, as they were slipping through the cracks of the Government's various funding streams. We spent thousands more commissioning work and projects from other artists and freelancers. And we also provided a rent moratorium to all our studio holders over lockdown. We take our commitment to Wakefield's artists and creatives very seriously, and are proud that we were able to provide support to so many of them during this period.
- We also were proud to become the site of Wakefield's first out-of-hours emergency mental health drop in, Safe Space, working in partnership with three mental health charities.
- We supported food distribution to needy families in Wakefield through our partnership with The Real Junk Food Project, reaching 1,046 key workers with free weekly food boxes and an additional 5,506 people with 'pay as you feel' boxes
- While the building was closed, we reached out to the NHS to see if there was any way we could help. The perinatal mental health unit contacted us soon afterwards and began a weekly support group for mums who had given birth during lockdown who were at risk of mental health issues. The group of mums and babies is still running.
- CEO support group – during the first lockdown, our CEO ran a weekly support group for senior leaders across Wakefield's cultural and third sector organisations.
- We also, for the first time, took on two university year-long work placement students. Both of these students, including one who is blind, had to complete work placements as a part of their course, but when lockdown hit, the businesses they had arranged to do these with cancelled. Each contacted us, and we made the commitment to work with them. Both placements were highly successful, both for the students and for The Art House.

Commissions

- Another way we supported artist livelihoods over the pandemic was through commissions and purchasing artworks. Commissions included:
    - An inspirational mural for Wakefield from up and coming print artist, Ellie Way. The mural received fantastic feedback from the public, was posted on social media numerous times and was seen by an estimated 75,000 people
    - A neon piece by artist Richard Wheater of Neon Workshops, for exhibition in our large gallery windows, as a beacon of light to Wakefield during the Winter Lockdown. Again, the piece was incredibly well received and became a destination point for people while they were on their on their permitted daily walks during this time. Nearly 15,000 people visited the piece.
    - We worked hard to ensure that as much of our capex grant as possible was used to support our local artists and craft makers. For example, instead of buying new chairs as we had planned, we commissioned one of the studio holders who is a furniture maker to strip down and repaint the chairs we had. This not only provided an income for her, but also was more environmentally friendly.

Pivoting to Online delivery

- Like many arts and cultural organisations, we pivoted and delivered many of our outreach and engagement projects

Achievements and performance (continued)

online, supplemented by physical packs of art supplies which were delivered. We did not rush in immediately to do this because of the difficulties of engaging our outreach participants - people with Dementia and their carers, as well as asylum seekers and refugees – online. However, we are pleased to say that through a lot of effort and partnership working, we managed to get the programmes up and running and had excellent engagement.

- We were especially pleased with getting the Creative Ageing Dementia group online, as many of these older participants had not used the internet before. We supported them every step of the way, including getting some laptops with dongles. We ran 24 weeks of Creative Ageing on line with 15 repeating participants. For most of the participants, this session became a lifeline for them.
- We ran three remote Studio of Sanctuary projects, including for asylum seekers kept in the local Initial Accomodation Centre for over a year longer than standard practice. These courses included working online and via post with two professional artists, including one who was himself a refugee.
- **Artwalk Online** – we experimented with transferring our bi-monthly city-wide late night 'Artwalk' to online and social media takeovers, which was quite successful the first few times, with enthusiasm tapering off as lockdown went on. However, the process did result in us gaining a number of new audience members, including internationally, from more far-reaching places than we had ever had. Although the in-person version of Artwalk is preferable, and was returned to in spring on 2021, we are exploring ways to create a real-time online component to Artwalk for the future.
- **Gift Boxe**s – In December, we distributed 1,000 creative gift boxes to struggling families across Wakefield. Boxes included creative winter and holiday themed activity cards (and the necessary supplies) created by studio holders at The Art House and were distributed via local food banks, the Initial Accommodation Centre for Asylum seekers, the local homeless accommodation across our street, and partner schools. The boxes themselves were beautiful and of an exceptionally high quality – designed and printed in our own print studio. Response to the boxes was overwhelming and we aim to continue the programme annually.
- **Sunflowers** – And finally, to keep up our community's (and our own) morale, we planted 1,000 sunflowers around The Art House with a sign that said 'Stay Positive Wakefield'.

Financial review

a. Going concern

The Trustees have reviewed going concern in light of the current and forecast financial position of the charity. We have prepared a detailed budget to March 2023. We are confident that our application to take up Arts Council England's offer of extendng our NPO funding for an additional year (2022-23) will be successful.

In making the going concern assessment the Trustees have also considered the charity's principal financial risks (see Risk Management section - page 12) and the current level of reserves and target reserves as set out in the reserves policy (page 10). As part of our Risk Management & contingency planning we have produced a scenario for the unlikely event that we may have to significantly retract the charity or wind down completely. In either case, we have enough in reserves to cover all redundancies should that be necessary.

After making appropriate enquiries therefore, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Financial review

The Art House recorded a net surplus of £253,982 for the year, before transfers and depreciation.

This result saw our free reserves of the charity at 31 March 2021 at £100,567 after the deduction of unrestricted reserves held as fixed assets. This is slightly above the stated aim of the reserves policy, which is £100,000. Total funds at 31 March 2021 are £3,725,881 (2020: £3,651,971) including restricted funds of £3,449,424 (2020: £3,589,424).

c. Reserves policy

In forming a reserves policy, the Trustees have regard to the financial impact of the principal risks as set out on page 12. In particular:

- Not achieving income targets, especially in light of continued uncertainty around the pandemic and the possibility of economic downturn due to the fallout of both the pandemic and Brexit
- Unforeseen liabilities arising in relation to building running costs, especially in regards to rising energy prices, maintenance and rectification
- Other unforeseen liabilities

In setting a reserves policy the trustees have also considered the cost of achieving an orderly wind-down of the charity's activities should the Art House no longer become viable. The cost of this wind-down would seek to mitigate the immediate impact to beneficiaries of the charity through provision of a continued facility for a short period of time whilst alternative service provision is sourced.

In light of these financial risks the trustees have set a reserve target of £100,000. Our current level of free reserves is £100,567.

Funding – There is no doubt that the successful turnaround plan that we implemented for The Art House between 2018-2020 laid the strong foundation we needed for weathering the pandemic. However, the gains we made around growing our earned income streams and creating a more balanced income mix between statutory and earned income has obviously now tilted back to Statutory Funding being the larger slice of the pie due to Covid government support.
However, we hope to re-dress this balance over the next two years.

The Art House is generously supported as one of Arts Council England's National Portfolio Organisations, with an annual funding level of £247,087 per annum until March 2023.

In addition, we earn income through a variety of sources, including studio rental fees, contracts for services, interim-use space management and classes and courses.

We also receive charitable income from Wakefield Council (project-based), Foundations and Trusts and Individual Donors.

The Art House manages its financial risks carefully through a considered reserves policy, an active risk register and on-going fundraising and income generation development.

d. Principal funding

The Charity's principal sources of funding are:

Core: Arts Council England, Earned Income
Projects: The Tudor Trust, Arts Council England Small Capital Expenditure Grant, Misc trusts and foundations
Covid Related: Furlough Scheme, Small Business Relief Funding, Culture Recovery Grant

Structure, governance and management

a. Constitution

The Creative Art House is registered as a charitable company limited by guarantee and was set up in April 1997. The charity is governed by its Articles of Association and is registered with charity number 1063671.

The objects of the charity are specifically restricted to:

1. To advance the education of the public in arts and culture by providing experiences of art and artists through exhibitions, residencies, commissions, workshops and events.
2. The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage in particular through visual arts and crafts.

b. Methods of appointment or election of Trustees

The Articles of Association requires a minimum of three Trustees, each appointed for a three-year term. Trustees are recruited by panel interview against agreed criteria to effectively meet the Charity's obligations and responsibilities.

c. Organisational structure and decision-making policies

The Board of Trustees agree the strategic direction and policy statements of the Company. Executive and operational responsibilities are delegated to the Company's senior management and support staff.

The Board meets four times per year and is supported by two sub-committees of Trustees which meet regularly throughout the year and report to the Board. These are the Finance, Human Resources and Risk Committee and the Estates Committee. Each Committee is chaired by one of the Trustees under terms of reference delegated by the Board.

There is also a Programme Working Group which consists of studio holders, artists in residence, partners and collaborators inputting into debate and decision making with the The Art House programme team (led by the Chief Executive).

d. Policies adopted for the induction and training of Trustees

Persons invited to join the Board of Trustees are first invited to attend a Board meeting as an observer. When first becoming a member of the Board, the Trustee is provided with an information pack regarding the organisation, which includes all company policies and procedures.

Appropriate skills development opportunities are provided for all Trustees and staff.

Structure, governance and management (continued)

e. Pay policy for senior staff

The Trustee Board determines and agrees the overall policy for the remuneration and pension arrangements for all the Charity's employees.

The remuneration policy is designed to attract and engage those with the required skills and experience to meet the Charity's aims and objectives, aligned with the values of its Trustees, beneficiaries, partners and supporters.

The Board benchmarks pay levels against local similar salaries where information is available and utilises external professional advisors and salary databases where necessary.

f. Financial risk management

The Trustees and Executive have identified the principal risks to which the Charity is exposed and assessed their possible impact on the services provided and financial security of the Charity. They are satisfied that the necessary systems and controls are in place, and under regular review, to mitigate the Charity's exposure to those risks. The Finance, HR and Risk Committee specifically considers risk and reports to the Board and a comprehensive risk register is in place.

Key risks identified by the charity include:

Funding – The Art House is currently reliant on the generous support of the Arts Council for the majority of its income. The Art House's annual NPO funding level is £247,087 per annum until March 2022. However, this funding does not cover the full operations of the building or the full artistic programme. The Trustees are committed to providing an Artistic Programme based on 'excellence' – to do so requires further funding. This is why the new strategy of developing new earned income streams and establishing more of a mixed economy has been adopted by Trustees.

Reputation – The Art House seeks to be a relevant and innovative arts organisation. The consequences of not adapting to the needs of the sector and responding to artists and audiences jeopardises our position as a national lead for diversity and the visual arts. The Art House approach to risk taking and adaptability is to operate a model that can respond flexibly to shifting perspectives and agenda, recognise opportunities and possibilities and is managed through reporting, feedback and evaluation.

Building costs – Phase 1 of the Art House is approaching ten years in age and the requirement to repair certain aspects of the building is increasing. The cost of repairs is managed through a maintenance plan which prioritises critical works and carefully appraises any investment being considered. This plan is discussed regularly at meetings of the Estates committee, a sub-committee of the Board.

Plans for future periods

Ironically, The Art House came into its own during the pandemic. We have grown our capacity and our impact. We are keen to retain that capacity and impact as we pick up the pieces and begin to operate again in a new, post-pandemic world.

We have re-opened and re-started our artist residency programme. At the time of this writing (Oct 2021), we have just opened our long-delayed Circle/Sphere show, celebrating Neon Workshop's 10 years in Wakefield with an exhibition of American Neon Artist Fred Tschida's vibrant rotating neon sculptures.

We have just launched the country's first disabled accessible darkroom, working with the Disabled Photographers Association, and are now offering photo courses and darkroom memberships. We are planning on opening a Ceramics Studio in early 2022.

We are continuing to benefit and harness the opportunities that came our way during the pandemic. Safe space has extended from 3 nights a week to 7. We have been contracted by Rushbond Plc to design the branding for their Civic Quarter Development and also to undertake a Feasibility and Options Analysis for The Court House with a view to us potentially being operators.

Our Makey Wakey interim use programme is being expanded to The New Media Centre in Salford and as part of the contract, we are training up a local arts organisation in how to manage the scheme and make it their own. Our aim is to develop a national network of arts organisations doing rates mitigation in this way.

We are focusing our efforts during this upcoming year on re-building our pre-pandemic earned income streams. People are returning to classes and courses, but slowly. Meeting room and event bookings are returning, but slowly. We know we will get there.

Much of the upcoming year will focus on preparing our application for the next NPO round, which is due in February of 2022. We are thrilled with ACE's new strategy, Let's Create, which could have been written for The Art House, as it prioritises addressing barriers to practice and engagement.

We will also continue to look after the wellbeing of our staff, studio holders and artists. The emotional toll of the pandemic will last a long time, and we need to support each other through it.

There is much to fret about in wondering how long it will take earned income to return to pre-pandemic levels, or what the ongoing impact of the pandemic will be on the arts and the economy, or even whether the upcoming winter will bring another virus surge and other lockdowns.

However, there is much to celebrate and be positive about as well.

For example, since re-opening, we are seeing many more people coming in and just hanging out in our newly renovated foyer, drinking coffee, working on laptops, conversing over cups of tea and slices of cake. We have more families coming in. Our profile has significantly increased. More people have heard of us. More artists are calling in to enquire about studios and residencies. And our staff and studio holders are happy and excited to be back at work. There is a buzz about the place, one that in the middle of lockdown, in a quiet and closed building, was hard to imagine would ever return. But it's back now. And we will continue to meet the challenges that lie ahead in order to keep that buzz going.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees 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 charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Anamaria Wills

Date: 18 October 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CREATIVE ART HOUSE

Opinion

We have audited the financial statements of The Creative Art House (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CREATIVE ART HOUSE (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with directors and other management, and from our commercial knowledge and experiences of the charity's sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including data protection, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence throughout;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of trustees and management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may

involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:
https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%e2%80%99s-responsibilities-for. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Jane Marshall (Senior statutory auditor)
for and on behalf of
BHP LLP
Chartered Accountants
Statutory Auditor
Rievaulx House
1 St Mary's Court
Blossom Street
York
YO24 1AH

Date:

THE CREATIVE ART HOUSE

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	**265,152**	**218,506**	**483,658**	443,337
Charitable activities	4	**42,963**	**-**	**42,963**	76,318
Other trading activities	5	**81,818**	**-**	**81,818**	123,633
Investments	6	**125**	**-**	**125**	235
Other income	7	**433,127**	**-**	**433,127**	10,122
Total income		**823,185**	**218,506**	**1,041,691**	653,645
Expenditure on:					
Raising funds	8	**155,668**	**53,340**	**209,008**	190,644
Charitable activities	9	**477,139**	**281,634**	**758,773**	621,868
Total expenditure		**632,807**	**334,974**	**967,781**	812,512
Net income/(expenditure)		**190,378**	**(116,468)**	**73,910**	(158,867)
Transfers between funds	18	**23,747**	**(23,747)**	**-**	-
Net movement in funds		**214,125**	**(140,215)**	**73,910**	(158,867)
Reconciliation of funds:					
Total funds brought forward		**62,332**	**3,589,639**	**3,651,971**	3,810,838
Total funds carried forward		**276,457**	**3,449,424**	**3,725,881**	3,651,971

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 43 form part of these financial statements.

THE CREATIVE ART HOUSE

(A company limited by guarantee)
REGISTERED NUMBER: 3345162

BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		2020 £
Fixed assets					
Intangible assets	14		**1,583**		4,751
Tangible assets	15		**3,509,376**		3,637,276
			3,510,959		3,642,027
Current assets					
Debtors	16	**151,480**		43,670	
Cash at bank and in hand		**227,848**		33,275	
		379,328		76,945	
Creditors: amounts falling due within one year	17	**(164,406)**		(67,001)	
Net current assets			**214,922**		9,944
Total net assets			**3,725,881**		3,651,971
Charity funds					
Restricted funds	18		**3,449,424**		3,589,639
Unrestricted funds	18		**276,457**		62,332
Total funds			**3,725,881**		3,651,971

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Anamaria Wills

Date: 18 October 2021
The notes on pages 24 to 43 form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Note	**2021** **£**	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	**243,452**	(60,018)
Cash flows from investing activities			
Bank interest		**125**	235
Purchase of tangible fixed assets		**(49,004)**	(44,407)
Net cash used in investing activities		**(48,879)**	**(44,172)**
Cash flows from financing activities			
Net cash provided by financing activities		**-**	**-**
Change in cash and cash equivalents in the year		**194,573**	**(104,190)**
Cash and cash equivalents at the beginning of the year		**33,275**	137,465
Cash and cash equivalents at the end of the year	22	**227,848**	33,275

The notes on pages 24 to 43 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

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

The Creative Art House 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.

The financial statements are prepared under the historical cost convention in £ sterling, which is the functional currency of the charity, and rounded to the nearest £1.

1.2 Going concern

The Trustees have reviewed going concern in light of the current and forecast financial position of the charity. We have prepared a detailed budget to March 2023. We are confident that our application to take up Arts Council England's offer of extending our NPO funding for an additional year (2022-23) will be successful.

In making the going concern assessment the Trustees have also considered the charity's principal financial risks (see Risk Management section - page 12) and the current level of reserves and target reserves as set out in the reserves policy (page 10). As part of our Risk Management & contingency planning we have produced a scenario for the unlikely event that we may have to significantly retract the charity or wind down completely. In either case, we have enough in reserves to cover all redundancies should that be necessary.

After making appropriate enquiries therefore, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

1.5 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 institution with whom the funds are deposited.

1.6 Taxation

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

1.7 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Website	-	33 %	Straight line

1. Accounting policies (continued)

1.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Long-term leasehold property	- over 35 years straight line
Short-term leasehold property	- over 24 years straight line
Fixtures and fittings	- 15% per annum straight line
Office equipment	- 15% per annum straight line
Computer equipment	- over 3 years straight line
Art work pieces	- 15% per annum straight line

Leasehold land is not depreciated.

In the year of acquisition computer, office equipment, fixtures and fittings are depreciated from the start of the year.

1.9 Debtors

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

1.10 Cash at bank and in hand

Cash at bank and 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.

1. Accounting policies (continued)

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.12 Financial instruments

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

1.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.14 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.15 Fund accounting

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

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

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

1.16 Employee benefits

The costs of short term employee benefits are recognised as an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1. Accounting policies (continued)

1.17 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. General information

The charity is a company limited by guarantee registered in England and Wales. The members of the company are the Trustees. 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.

3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations				
Donations including gift aid	2,035	-	**2,035**	15,246
Grants				
Arts Council England - Core Grant	251,634	-	**251,634**	247,087
Arts Council England - Culture Recovery and Capital	-	176,655	**176,655**	25,893
Partnership income	1,425	-	**1,425**	61,597
Studio of sanctuary	-	35,351	**35,351**	35,500
Artwalk	-	-	**-**	17,527
Other grants	9,001	6,500	**15,501**	38,591
Membership fees	1,057	-	**1,057**	1,896
Subtotal	10,058	6,500	**16,558**	40,487
	265,152	218,506	**483,658**	443,337
Total 2020	337,120	106,217	443,337	

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Provision of art facilities	42,963	**42,963**	76,318
Total 2020	76,318	76,318	

	2021	2020
	£	£
Provision of art facilities		
Studio rental	**37,286**	67,954
Studio service charge	**5,011**	8,364
Studio virtual	**666**	-
	42,963	76,318

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2021	**Restricted funds 2021**	**Total funds 2021**	Total funds 2020
	£	**£**	**£**	£
Room hire and flat	853	-	**853**	17,252
Off-site management	64,775	-	**64,775**	30,856
Print Room	6,915	-	**6,915**	21,022
Contracts for services	(3,000)	-	**(3,000)**	17,079
Other income	12,275	-	**12,275**	37,424
	81,818	-	**81,818**	123,633
Total 2020	106,554	17,079	123,633	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Interest received	125	**125**	235
Total 2020	235	235	

7. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Coronavirus Job Retention Scheme	56,398	**56,398**	10,122
Coronavirus-related support funding	376,729	**376,729**	-
	433,127	**433,127**	10,122
Total 2020	10,122	10,122	

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Building costs	26,268	-	**26,268**	30,816
Office costs	38,240	-	**38,240**	25,344
Catering & room hire expenses	122	-	**122**	2,839
Other staff costs	5,423	-	**5,423**	2,569
Staff costs	79,795	-	**79,795**	68,117
Depreciation	5,820	53,340	**59,160**	60,959
	155,668	53,340	**209,008**	190,644
Total 2020	134,110	56,534	190,644	

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Provision of art facilities	477,139	281,634	**758,773**	621,868
Total 2020	432,963	188,905	621,868	

10. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Provision of art facilities	648,966	109,807	**758,773**	621,868
Total 2020	516,927	104,941	621,868	

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	**81,265**	103,610
Depreciation	**120,912**	113,212
Artistic programme costs	**7,723**	43,510
Other project costs	**70,859**	147,426
Building costs	**74,044**	57,230
Office costs	**77,639**	47,069
Coronavirus business support	**208,099**	-
Governance costs (note 11)	**8,425**	4,870
	648,966	516,927

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	**109,807**	104,941

11. Auditor's remuneration

	2021	2020
	£	£
Fees payable to the charity's auditor for the audit of the charity's annual accounts	**8,425**	4,870

12. Staff costs

	2021	2020
	£	£
Wages and salaries	**253,928**	259,308
Social security costs	**12,623**	13,187
Contribution to defined contribution pension schemes	**4,316**	4,173
	270,867	276,668

The average number of persons employed by the charity during the year was as follows:

	2021	2020
	No.	No.
Employees	**16**	16

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration including employer's NI and pension attributable to the senior management team for the year was £82,663 (2020: £88,937) and consisted of the CEO & Artistic Director and the Business & Operations Director.

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

14. Intangible assets

	Website £
Cost	
At 1 April 2020	**9,503**
At 31 March 2021	**9,503**
Amortisation	
At 1 April 2020	**4,752**
Charge for the year	**3,168**
At 31 March 2021	**7,920**
Net book value	
At 31 March 2021	**1,583**
At 31 March 2020	4,751

15. Tangible fixed assets

	Long-term leasehold property £	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation							
At 1 April 2020	**2,539,904**	**2,346,768**	**101,332**	**38,136**	**42,322**	**9,160**	**5,077,622**
Additions	**14,672**	**-**	**26,054**	**-**	**8,278**	**-**	**49,004**
At 31 March 2021	**2,554,576**	**2,346,768**	**127,386**	**38,136**	**50,600**	**9,160**	**5,126,626**
Depreciation							
At 1 April 2020	**793,195**	**488,909**	**86,584**	**38,136**	**24,362**	**9,160**	**1,440,346**
Charge for the year	**64,654**	**97,783**	**6,410**	**-**	**8,057**	**-**	**176,904**
At 31 March 2021	**857,849**	**586,692**	**92,994**	**38,136**	**32,419**	**9,160**	**1,617,250**
Net book value							
At 31 March 2021	**1,696,727**	**1,760,076**	**34,392**	**-**	**18,181**	**-**	**3,509,376**
At 31 March 2020	1,746,709	1,857,859	14,748	-	17,960	-	3,637,276

Tangible fixed assets (continued)

Included in long term leasehold property is land at a value of £288,000 which is not depreciated (2020: £288,000).

16. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	**26,680**	14,781
Prepayments and accrued income	**121,017**	28,889
Tax recoverable	**3,783**	-
	151,480	43,670

17. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	**43,452**	35,190
Other taxation and social security	**2,439**	4,098
Other creditors	**9,979**	8,262
Accruals and deferred income	**108,536**	19,451
	164,406	67,001

	2021 £	2020 £
Deferred income		
Deferred income at 1 April 2019	**2,500**	99,800
Resources deferred during the year	**-**	2,500
Amounts released from previous years	**(2,500)**	(99,800)
Deferred income at 31 March 2020	**-**	2,500

Deferred income relates to grants and fees received in advance.

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Committed programmes	-	-	-	**80,000**	**80,000**
General funds					
General Funds	**62,332**	**823,185**	**(632,807)**	**(56,253)**	**196,457**
Total Unrestricted funds	**62,332**	**823,185**	**(632,807)**	**23,747**	**276,457**
Restricted funds					
Capital Project - Drury Lane	**1,719,252**	-	**(63,428)**	-	**1,655,824**
Capital Project - Carnegie Library	**1,758,495**	-	**(93,001)**	-	**1,665,494**
Library lease	**98,960**	-	**(5,208)**	-	**93,752**
Creative Aging	-	**6,820**	**(5,406)**	-	**1,414**
Infrared hearing system	**2,000**	-	-	-	**2,000**
Studio of Santuary	**31**	**35,351**	**(18,181)**	-	**17,201**
Studio of Santuary - Individuals	**2,500**	**2,500**	-	-	**5,000**
Community Foundation	**4,820**	**(4,820)**	-	-	-
Creative Minds	**(25)**	-	-	**25**	-
Capital funding	**3,606**	**28,622**	**(4,850)**	**(23,772)**	**3,606**
Tudor Trust - Staff Wellness Programme	-	**2,000**	-	-	**2,000**
ACE Culture Recovery Fund	-	**148,033**	**(144,900)**	-	**3,133**
	3,589,639	**218,506**	**(334,974)**	**(23,747)**	**3,449,424**
Total of funds	**3,651,971**	**1,041,691**	**(967,781)**	-	**3,725,881**

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Unrestricted funds					
General Funds	62,406	530,349	(567,073)	36,650	62,332
Restricted funds					
Capital Project - Drury Lane	1,782,680	-	(63,428)	-	1,719,252
Capital Project - Carnegie Library	1,851,319	-	(92,824)	-	1,758,495
Library lease	104,168	-	(5,208)	-	98,960
Artwalk	-	37,906	(37,906)	-	-
Creative Aging	4,825	747	(6,143)	571	-
Infrared hearing system	2,000	-	-	-	2,000
Studio of Santuary	(1,380)	37,000	(35,589)	-	31
Studio of Santuary - Individuals	-	2,500	-	-	2,500
Community Foundation	4,820	-	-	-	4,820
Creative Minds	-	4,250	(4,275)	-	(25)
Capital funding	-	40,893	(66)	(37,221)	3,606
	3,748,432	123,296	(245,439)	(36,650)	3,589,639
Total of funds	3,810,838	653,645	(812,512)	-	3,651,971

Capital Project - Drury Lane
Funded by grants from the Arts Council Lottery and others towards the cost of developing a permanent home for the charity. The fund balance represents the cost of initial planning, leasehold land, professional fees, construction and equipment in relation to The Art House Building, less depreciation charged.

Capital Project - Carnegie Library
Funded primarily by grants from the Arts Council Lottery towards the costs of developing the Carniegie Library into an extension to the Art House Building. The initial professional fees and project set up costs ahead of the construction phase have been written off to revenue. £50,000 of the charity's reserves have been put towards the project.

Library lease
This is a 25 year lease from Wakefield Metropolitan District Council for use of the Carniegie Library. The lease was signed in January 2014 and depreciation has commenced from May 2015, on completion of the building.

Artwalk
Funds provided by WMDC to cover the cost of managing and coordinating the “The Art Walk”- a visual arts festival which runs the last Wednesday evening of every other month across multiple venues across the centre of Wakefield.

Creative Aging
Funding provided by Creative Minds to run a bespoke series of art workshops for Dementia Patients and their carers.

Infrared hearing system
Funding from West Riding Masonic Charities Limited towards a new infrared hearing system.

Studio of Sanctuary
This is the fund where we raise money for the Studio Of Sanctuary Residency Programme & Community Engagement Project.

Studio of Sanctuary - individuals
Support for the professional development of individual asylum seekers/refugees who are participating in the Studio of Sanctuary programme.

Community Foundation
Funding from iWill (Leeds Community Foundation) for our forthcoming “Young Associates Programme”

Creative Minds
Grant to support Arts and Health classes.

Capital funding
Amounts received towards capital projects.

Tudor Trust - Staff Wellness Programme
Amounts received to support staff, volunteer and Trustee wellbeing.

ACE Culture Recovery Fund
Grant to support the charity during covid related restrictions.

Transfers
Transfers to unrestricted funds are made where the conditions on the restricted funds have been fully met.

19. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	**-**	**-**	**-**	**80,000**	**80,000**
General funds	**62,332**	**823,185**	**(632,807)**	**(56,253)**	**196,457**
Restricted funds	**3,589,639**	**218,506**	**(334,974)**	**(23,747)**	**3,449,424**
	3,651,971	**1,041,691**	**(967,781)**	**-**	**3,725,881**

Summary of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
General funds	62,406	530,349	(567,073)	36,650	62,332
Restricted funds	3,748,432	123,296	(245,439)	(36,650)	3,589,639
	3,810,838	653,645	(812,512)	-	3,651,971

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	94,307	3,415,069	**3,509,376**
Intangible fixed assets	1,583	-	**1,583**
Current assets	339,573	39,755	**379,328**
Creditors due within one year	(159,006)	(5,400)	**(164,406)**
Total	276,457	3,449,424	**3,725,881**

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	60,569	3,576,707	3,637,276
Intangible fixed assets	4,751	-	4,751
Current assets	61,513	15,432	76,945
Creditors due within one year	(64,501)	(2,500)	(67,001)
Total	62,332	3,589,639	3,651,971

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**73,910**	(158,867)
Adjustments for:		
Depreciation charges	**176,904**	171,002
Amortisation charges	**3,168**	3,168
Bank interest	**(125)**	(235)
(Increase)/decrease) in debtors	**(107,811)**	1,205
Increase/(decrease) in creditors	**97,406**	(76,291)
Net cash provided by/(used in) operating activities	**243,452**	(60,018)

22. Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand	**227,848**	33,275
Total cash and cash equivalents	**227,848**	33,275

23. Analysis of changes in net debt

	At 1 April 2020	Cash flows	At 31 March 2021
	£	**£**	**£**
Cash at bank and in hand	**33,275**	**194,573**	**227,848**
	33,275	**194,573**	**227,848**

24. Pension commitments

The pension cost charge represents contributions payable by the charity into a defined contribution scheme and amounted to £4,316 (2020 - £4,173). Contributions totalling £NIL (2020 - £355) were payable to the scheme at the balance sheet date.

25. Operating lease commitments

At 31 March 2021 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	**1,660**	1,660
Later than 1 year and not later than 5 years	**1,798**	3,458
	3,458	5,118

26. Related party transactions

Trustees made donations to the charity totalling £NIL in the year (2020: £500).