

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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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**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

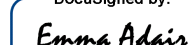
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The Art House has gone through a huge transformation in the last few years, with a particularly unexpected surge of growth during the pandemic. 2021-23 saw us take the first tentative, if frequently interrupted, new steps out of lock-down, with potential 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:  


0AD7A762627B477  
Emma Adair, Chair of Trustees, The Art House  
Date: 09 October 2023

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## THE CREATIVE ART HOUSE

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### TRUSTEES' REPORT

*FOR THE YEAR ENDED 31 MARCH 2022*

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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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## THE CREATIVE ART HOUSE

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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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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## THE CREATIVE ART HOUSE

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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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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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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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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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 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 Wheeler: The Walls We Build While Dreaming of Escape
  - Jill McKnight: Everything is Still Floating
  - Fred Tschida: CIRCLESPIHERE
  - 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
- CIRCLESPIHERE 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. CIRCLESPIHERE marks ten years since Neon Workshops was established in Wakefield, and 20 years since its founder – artist Richard William Wheeler – was introduced to Fred Tschida's alternative explorations in neon, as his student at Alfred University. It was while studying in New York that Wheeler 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 Wheeler's determination to introduce the world to an un-sung neon master. CIRCLESPIHERE 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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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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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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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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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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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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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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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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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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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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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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## THE CREATIVE ART HOUSE

(A company limited by guarantee)

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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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.

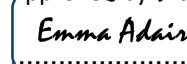
#### Disclosure of information to auditor

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:

  
 .....  
 0AD7A762627B477...  
**Emma Adair**  
 Chair of Trustees

Date: 09 October 2023

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**THE CREATIVE ART HOUSE****(A company limited by guarantee)**

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

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**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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**THE CREATIVE ART HOUSE****(A company limited by guarantee)**

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

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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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**THE CREATIVE ART HOUSE****(A company limited by guarantee)**

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

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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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**THE CREATIVE ART HOUSE****(A company limited by guarantee)**

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

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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](http://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.



.....  
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

**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**

		<b>Unrestricted funds 2022</b>	<b>Restricted funds 2022</b>	<b>Total funds 2022</b>	<b>Total funds 2021 (revised)</b>
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income from:</b>					
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
<b>Total income</b>		<b>822,989</b>	<b>201,956</b>	<b>1,024,945</b>	<b>1,041,691</b>
<b>Expenditure on:</b>					
Raising funds	8	281,734	58,107	339,841	209,008
Charitable activities	9	632,304	182,295	814,599	758,773
<b>Total expenditure</b>		<b>914,038</b>	<b>240,402</b>	<b>1,154,440</b>	<b>967,781</b>
<b>Net income/(expenditure)</b>		<b>(91,049)</b>	<b>(38,446)</b>	<b>(129,495)</b>	<b>73,910</b>
Transfers between funds	18	38,258	(38,258)	-	-
<b>Net movement in funds</b>		<b>(52,791)</b>	<b>(76,704)</b>	<b>(129,495)</b>	<b>73,910</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		276,457	3,449,424	3,725,881	3,651,971
<b>Total funds carried forward</b>		<b>223,666</b>	<b>3,372,720</b>	<b>3,596,386</b>	<b>3,725,881</b>

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.

**THE CREATIVE ART HOUSE**  
**(A company limited by guarantee)**  
 REGISTERED NUMBER: 3345162

**BALANCE SHEET**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	<b>Note</b>	<b>2022</b> <b>£</b>	<b>2021</b> <b>(revised)</b> <b>£</b>
<b>Fixed assets</b>			
Intangible assets	14	-	1,583
Tangible assets	15	<b>3,401,063</b>	3,509,376
		<b>3,401,063</b>	3,510,959
<b>Current assets</b>			
Debtors	16	<b>297,447</b>	151,480
Cash at bank and in hand		<b>29,257</b>	227,848
		<b>326,704</b>	379,328
Creditors: amounts falling due within one year	17	<b>(131,381)</b>	(164,406)
		<b>195,323</b>	
<b>Net current assets</b>			214,922
<b>Total net assets</b>		<b>3,596,386</b>	<b>3,725,881</b>
<b>Charity funds</b>			
Restricted funds	18	<b>3,372,720</b>	3,449,424
Unrestricted funds	18		
Designated		-	80,000
General		<b>223,666</b>	196,457
<b>Total funds</b>		<b>3,596,386</b>	<b>3,725,881</b>

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**THE CREATIVE ART HOUSE**  
**(A company limited by guarantee)**  
REGISTERED NUMBER: 3345162

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**BALANCE SHEET (CONTINUED)**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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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:  
  
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**Emma Adair**  
Chair of Trustees

09 October 2023  
Date:

The notes on pages 22 to 45 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 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	21	<b>(119,160)</b>	243,452
<b>Cash flows from investing activities</b>			
Bank interest		<b>12</b>	125
Purchase of tangible fixed assets		<b>(79,443)</b>	(49,004)
<b>Net cash used in investing activities</b>		<b>(79,431)</b>	(48,879)
<b>Cash flows from financing activities</b>			
<b>Net cash provided by financing activities</b>		<b>-</b>	-
<b>Change in cash and cash equivalents in the year</b>		<b>(198,591)</b>	194,573
Cash and cash equivalents at the beginning of the year		<b>227,848</b>	33,275
<b>Cash and cash equivalents at the end of the year</b>	22	<b><u>29,257</u></b>	<b><u>227,848</u></b>

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)**

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**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2022**

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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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## THE CREATIVE ART HOUSE

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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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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**THE CREATIVE ART HOUSE****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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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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**THE CREATIVE ART HOUSE****(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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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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**THE CREATIVE ART HOUSE**

**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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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. There 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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**THE CREATIVE ART HOUSE**
**(A company limited by guarantee)**


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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**


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**3. Income from donations and legacies**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
<b><i>Donations</i></b>			
Donations including gift aid	529	-	529
<b><i>Grants</i></b>			
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
	<u>355,678</u>	<u>199,756</u>	<u>555,434</u>

**Income from donations and legacies (comparative)**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
<b><i>Donations</i></b>			
Donations including gift aid	2,035	-	2,035
<b><i>Grants</i></b>			
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
	<u>265,152</u>	<u>218,506</u>	<u>483,658</u>

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**THE CREATIVE ART HOUSE**
**(A company limited by guarantee)**


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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**


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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) £
<b><i>Provision of art facilities</i></b>		
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	-
	<b>86,972</b>	<b>49,878</b>

**THE CREATIVE ART HOUSE****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022****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
	<u>222,326</u>	<u>2,200</u>	<u>224,526</u>

**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
	<u>74,903</u>	<u>-</u>	<u>74,903</u>

**THE CREATIVE ART HOUSE****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022****6. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Interest received	<u>12</u>	<u>12</u>	<u>125</u>
Total 2021	<u>125</u>	<u>125</u>	

**7. Other incoming resources**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Coronavirus Job Retention Scheme	-	-	56,398
Coronavirus-related support funding	158,001	158,001	376,729
	<u>158,001</u>	<u>158,001</u>	<u>433,127</u>
Total 2021	<u>433,127</u>	<u>433,127</u>	



**THE CREATIVE ART HOUSE****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022****8. Expenditure on raising funds**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>
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
	<u>281,734</u>	<u>58,107</u>	<u>339,841</u>

**Expenditure on raising funds (comparative)**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
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
	<u>155,668</u>	<u>53,340</u>	<u>209,008</u>

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**THE CREATIVE ART HOUSE**
**(A company limited by guarantee)**


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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**


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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	<u>632,304</u>	<u>182,295</u>	<u>814,599</u>	<u>758,773</u>
Total 2021	<u>477,139</u>	<u>281,634</u>	<u>758,773</u>	

**10. Analysis of expenditure by activities**

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Provision of art facilities	<u>708,993</u>	<u>105,606</u>	<u>814,599</u>	<u>758,773</u>
Total 2021	<u>648,966</u>	<u>109,807</u>	<u>758,773</u>	

**THE CREATIVE ART HOUSE****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022****10. Analysis of expenditure by activities (continued)****Analysis of direct costs**

	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
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
	<b><u>708,993</u></b>	<b><u>648,966</u></b>

**Analysis of support costs**

	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Staff costs	<b><u>105,606</u></b>	<b><u>109,807</u></b>

**11. Auditor's remuneration**

	<b>2022 £</b>	<b>2021 £</b>
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<b><u>9,400</u></b>	<b><u>8,425</u></b>

**THE CREATIVE ART HOUSE****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022****12. Staff costs**

	<b>2022</b>	2021
	<b>£</b>	£
Wages and salaries	<b>376,172</b>	253,928
Social security costs	<b>24,749</b>	12,623
Contribution to defined contribution pension schemes	<b>6,782</b>	4,316
	<u><b>407,703</b></u>	<u>270,867</u>

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

	<b>2022</b>	2021
	<b>No.</b>	No.
Employees	<u><b>22</b></u>	<u>16</u>

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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**THE CREATIVE ART HOUSE**
**(A company limited by guarantee)**


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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**


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**14. Intangible assets**

	<b>Website £</b>
<b><i>Cost</i></b>	
At 1 April 2021	<b>9,503</b>
	<hr/>
At 31 March 2022	<b>9,503</b>
	<hr/>
<b><i>Amortisation</i></b>	
At 1 April 2021	<b>7,920</b>
Charge for the year	<b>1,583</b>
	<hr/>
At 31 March 2022	<b>9,503</b>
	<hr/>
<b><i>Net book value</i></b>	
At 31 March 2022	<b>-</b>
	<hr/> <hr/>
At 31 March 2021	<b>1,583</b>
	<hr/> <hr/>

**THE CREATIVE ART HOUSE****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022****15. Tangible fixed assets**

	Long-term leasehold property £	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Computer equipment £	Other fixed assets £	Total £
<b><i>Cost or valuation</i></b>							
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	<u>2,554,576</u>	<u>2,346,768</u>	<u>184,805</u>	<u>57,382</u>	<u>53,378</u>	<u>9,160</u>	<u>5,206,069</u>
<b><i>Depreciation</i></b>							
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	<u>922,775</u>	<u>684,474</u>	<u>105,427</u>	<u>39,854</u>	<u>43,316</u>	<u>9,160</u>	<u>1,805,006</u>
<b><i>Net book value</i></b>							
At 31 March 2022	<u>1,631,801</u>	<u>1,662,294</u>	<u>79,378</u>	<u>17,528</u>	<u>10,062</u>	<u>-</u>	<u>3,401,063</u>
At 31 March 2021	<u>1,696,727</u>	<u>1,760,076</u>	<u>34,392</u>	<u>-</u>	<u>18,181</u>	<u>-</u>	<u>3,509,376</u>

**THE CREATIVE ART HOUSE****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022****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**

	<b>2022</b>	2021
	<b>£</b>	£
<b><i>Due within one year</i></b>		
Trade debtors	<b>73,258</b>	26,680
Prepayments and accrued income	<b>205,143</b>	121,017
Tax recoverable	<b>19,046</b>	3,783
	<b><u>297,447</u></b>	<u>151,480</u>

**17. Creditors: Amounts falling due within one year**

	<b>2022</b>	2021
	<b>£</b>	£
Trade creditors	<b>74,844</b>	43,452
Other taxation and social security	<b>13,117</b>	2,439
Other creditors	<b>6,752</b>	9,979
Accruals and deferred income	<b>36,668</b>	108,536
	<b><u>131,381</u></b>	<u>164,406</u>

	<b>2022</b>	2021
	<b>£</b>	£
<b><i>Deferred income</i></b>		
Deferred income at 1 April 2021	-	2,500
Resources deferred during the year	-	-
Amounts released from previous years	-	(2,500)
<b><i>Deferred income at 31 March 2022</i></b>	<b><u>-</u></b>	<u>-</u>

Deferred income relates to grants and fees received in advance.

# THE CREATIVE ART HOUSE

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

### 18. Statement of funds

#### Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Committed programmes	<u>80,000</u>	<u>-</u>	<u>(80,000)</u>	<u>-</u>	<u>-</u>
<b>General funds</b>					
General Funds	<u>196,457</u>	<u>822,989</u>	<u>(834,038)</u>	<u>38,258</u>	<u>223,666</u>
<b>Total Unrestricted funds</b>	<u>276,457</u>	<u>822,989</u>	<u>(914,038)</u>	<u>38,258</u>	<u>223,666</u>
<b>Restricted funds</b>					
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 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



**THE CREATIVE ART HOUSE****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

Tourism Recovery Grant	-	14,950	(1,292)	(6,542)	7,116
Nova Grant	-	17,400	-	-	17,400

<b>3,449,424</b>	<b>201,956</b>	<b>(240,402)</b>	<b>(38,258)</b>	<b>3,372,720</b>
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<b>Total of funds</b>	<b>3,725,881</b>	<b>1,024,945</b>	<b>(1,154,440)</b>	<b>-</b>	<b>3,596,386</b>
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**Statement of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Committed programmes	-	-	-	80,000	80,000
<b>General funds</b>					
General Funds	62,332	823,185	(632,807)	(56,253)	196,457
<b>Total Unrestricted funds</b>	<b>62,332</b>	<b>823,185</b>	<b>(632,807)</b>	<b>23,747</b>	<b>276,457</b>

**THE CREATIVE ART HOUSE****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022****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 Sanctuary	31	35,351	(18,181)	-	17,201
Studio of Sanctuary - 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
	<u>3,589,639</u>	<u>218,506</u>	<u>(334,974)</u>	<u>(23,747)</u>	<u>3,449,424</u>

***Total of funds***

<u>3,651,971</u>	<u>1,041,691</u>	<u>(967,781)</u>	<u>-</u>	<u>3,725,881</u>
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**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 Carnegie 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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## THE CREATIVE ART HOUSE

**(A company limited by guarantee)**

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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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 health 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

**THE CREATIVE ART HOUSE****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022****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
	<b>3,725,881</b>	<b>1,024,945</b>	<b>(1,154,440)</b>	<b>-</b>	<b>3,596,386</b>

**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
	<b>3,651,971</b>	<b>1,041,691</b>	<b>(967,781)</b>	<b>-</b>	<b>3,725,881</b>

**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	<b>3,401,063</b>
Current assets	271,448	55,256	<b>326,704</b>
Creditors due within one year	(126,381)	(5,000)	<b>(131,381)</b>
<b>Total</b>	<b>223,666</b>	<b>3,372,720</b>	<b>3,596,386</b>

**THE CREATIVE ART HOUSE****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022****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)
<b>Total</b>	<u>276,457</u>	<u>3,449,424</u>	<u>3,725,881</u>

**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)	<u>(129,495)</u>	<u>73,910</u>
<b>Adjustments for:</b>		
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
<b>Net cash provided by/(used in) operating activities</b>	<u>(119,160)</u>	<u>243,452</u>

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**THE CREATIVE ART HOUSE**
**(A company limited by guarantee)**


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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**


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**22. Analysis of cash and cash equivalents**

	<b>2022</b>	2021
	<b>£</b>	£
Cash in hand	<b>29,257</b>	227,848
<b><i>Total cash and cash equivalents</i></b>	<b><u>29,257</u></b>	<u>227,848</u>

**23. Analysis of changes in net debt**

	<b>At 1 April 2021</b>	<b>Cash flows</b>	<b>At 31 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>227,848</b>	<b>(198,591)</b>	<b>29,257</b>
	<b><u>227,848</u></b>	<b><u>(198,591)</u></b>	<b><u>29,257</u></b>

**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:

	<b>2022</b>	2021
	<b>£</b>	£
Not later than 1 year	<b>1,660</b>	1,660
Later than 1 year and not later than 5 years	<b>138</b>	1,798
	<b><u>1,798</u></b>	<u>3,458</u>

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**THE CREATIVE ART HOUSE**

**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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**26. Related party transactions**

Trustees made donations to the charity totalling £NIL in the year (2021: £NIL)