

Registered number: 03345162
Charity number: 1063671

THE CREATIVE ART HOUSE
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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 2023

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


THE CREATIVE ART HOUSE
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INTRODUCTION FROM THE CHAIR
FOR THE YEAR ENDED 31 MARCH 2023

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

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

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

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

DocuSigned by:

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Emma Adair, Chair of Trustees, The Art House

30 January 2024

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TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2023

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

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

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

Objectives and activities

a. Policies and objectives

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

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

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

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

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

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

b. Activities undertaken to achieve objectives

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

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

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

Our Social Impact and Public Engagement Activities include:

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

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

Achievements and performance

a. Key performance indicators

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

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

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

b. Review of activities

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

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

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FOR THE YEAR ENDED 31 MARCH 2023

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

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

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

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

Business Developments and New Initiatives

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

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

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

Impact:

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

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

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

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FOR THE YEAR ENDED 31 MARCH 2023

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

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

Feedback from users includes

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

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

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

Total Income 2023: £51K

Total Income 2022: £30K

Impact:

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

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

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

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

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

Coffee House/Shop/Space and Event Bookings

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

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

Staff

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

Trustees

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

Artistic Programme

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

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

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

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

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

In total, the 15 exhibitions we held onsite included:

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

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

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

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

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

Access and Diversity

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

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

Audiences, Social Impact and Engagement Work

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

Studio of Sanctuary

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

- Studio of Sanctuary Artists Residencies, where we provide free studio space and professional development support to Artists and Creatives who are in the Asylum system so that they can re-build their portfolios and create networks to enable them to work in the UK Creative Sector once they have right to remain
- Studio of Sanctuary Workshops – A range of creative workshops that bring together People Seeking Asylum, Refugees and Migrants with the wider Wakefield population, in order to integrate people into the community, dispel stereotypes, and create community cohesion.

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

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

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

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

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

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

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

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

Arts and Health - Maternal Journal

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

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

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

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

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

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

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

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Maker Spaces – Free Programmes for Children and Young People

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

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

Artwalk

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

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

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

Program Highlights and Achievements:

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

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

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

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

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

Going concern

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

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

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

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

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

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

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

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

Financial review

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

Reserves policy

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

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

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

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

THE CREATIVE ART HOUSE
(a company limited by guarantee)

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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

Structure, governance and management

a. Constitution

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

The objects of the charity are specifically restricted to:

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

b. Methods of appointment or election of Trustees

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

c. Organisational structure and decision-making policies

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

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

d. Policies adopted for the induction and training of Trustees

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

e. Pay policy for senior staff

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

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

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

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

f. Financial risk management

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

THE CREATIVE ART HOUSE
(a company limited by guarantee)

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Key risks identified by the charity include:

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

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

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

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

Funding

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

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

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

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

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

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

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

THE CREATIVE ART HOUSE
(a company limited by guarantee)

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Principle funding

The Charity's principal sources of funding are:

Core: Arts Council England, Earned Income

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

Awards: Couleste Gulbenkian Award for Civic Arts Organisations

Fundraising disclosure

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

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

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

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

Plans for future periods

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

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

1. Well-Placed – this is our most significant strategy, and is a national roll-out of our interim use space management programme to 9 areas across the country. Two are already at contract stage. This will add an additional £800K/a year into the organisation by 2029, with a surplus margin of 50%.
2. Increase income from Maker Spaces through better marketing, new customer acquisition and retention and upselling and cross-sales between offers.
3. Increase income from our Commercial Trading Offer – F&B, Space Hire and Shop. We will integrate them to work more strategically together to maximise up-selling, cross sales, new customer acquisition and retention. We will also improve marketing.

THE CREATIVE ART HOUSE
(a company limited by guarantee)

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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

1. The 'Donor's Circle' – after five years, and with the support of our new Trustees, TAH is finally at a point where it is attractive to High Net Worth Individual Donors. We aim to capitalise on our networks by creating a 'Donor's Circle' of 10 donors each pledging £5K/year by 2029.
2. Enabling charitable giving at all points – website, till, course sign up and online sales
3. Embedding our recent success with Foundations and Trusts and securing at least 2 multi-year grants

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

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

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

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

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

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

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

THE CREATIVE ART HOUSE
(a company limited by guarantee)

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

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

Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2011 and applicable accounting regulations. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


Disclosure of information to auditor

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

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

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

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

DocuSigned by:

0AD7A762627B477...

Emma Adair

Chair of Trustees

Date: 30 January 2024

THE CREATIVE ART HOUSE
(a company limited by guarantee)

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

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

THE CREATIVE ART HOUSE
(a company limited by guarantee)

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Identifying and assessing risks related to irregularities:

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

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

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

Audit response to risks identified:

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

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

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

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

Use of our report

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



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

Chartered Accountants Mitre House
 North Park Road
 Harrogate
 HG1 5RX

Statutory Auditors

Date: 31 January 2024

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

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

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

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

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

THE CREATIVE ART HOUSE
(a company limited by guarantee)

COMPANY NUMBER: 03345162

BALANCE SHEET AS AT 31 MARCH 2023

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

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

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

30 January 2024

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

DocuSigned by:

 0AD7A762627B477...
E Adair
 Chair of Trustees

The notes on pages 24 to 40 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 2023

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

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

THE CREATIVE ART HOUSE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

General information

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

1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Creative Art House meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are prepared under the historical cost convention in £ sterling, which is the functional currency of the charity, and rounded to the nearest £1.

1.2 Going concern

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

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

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

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

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

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

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

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

THE CREATIVE ART HOUSE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

1 Accounting policies (continued)

1.3 Fund accounting

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

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

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

1.4 Income

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

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

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

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

1.5 Expenditure

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

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

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

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

THE CREATIVE ART HOUSE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

1 Accounting policies (continued)

1.6 Interest receivable

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

1.7 Taxation

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

1.8 Intangible assets and amortisation

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

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

Amortisation is provided on the following basis:

Website	- 33% straight-line
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1.9 Tangible fixed assets and depreciation

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

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

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

Depreciation is provided on the following bases:

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

Leasehold land is not depreciated.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

1 Accounting policies (continued)

1.10 Debtors

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

1.11 Cash at bank and in hand

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

1.12 Liabilities and provisions

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

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

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

1.13 Financial instruments

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

1.14 Operating leases

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

1.15 Pensions

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

1.16 Employee benefits

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

1.17 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

2 Income from donation, grants and legacies

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

Income from donation, grants and legacies (prior year)

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

3 Income from charitable activities

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

4 Income from other trading activities

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

Income from other trading activities (prior year)

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

5 Investment income	Unrestricted 2023 £	Unrestricted 2022 £
Bank interest	<u>247</u>	<u>12</u>
6 Other income	Unrestricted 2023 £	Unrestricted 2022 £
Coronavirus-related support funding	<u>-</u>	<u>158,001</u>

THE CREATIVE ART HOUSE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

7 Raising funds

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

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

8 Expenditure on charitable activities

Summary by fund type

	Total 2023 £	Total 2022 £
Provision of art facilities	<u>801,203</u>	<u>814,599</u>

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

9 Analysis of expenditure by activities

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

THE CREATIVE ART HOUSE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

9 Analysis of expenditure by activities (continued)

Analysis of direct costs

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

Analysis of support costs

	Total Funds 2023 £	Total Funds 2022 £
Staff costs	<u>104,730</u>	<u>105,606</u>

10 Auditors remuneration

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

11 Staff costs

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

THE CREATIVE ART HOUSE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

11 Staff costs

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

	2023	2022
	No.	No.
Employees	<u>28</u>	<u>22</u>

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

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

12 Trustees' remuneration and expenses

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

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

THE CREATIVE ART HOUSE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

13 Intangible assets

	Website £
Cost	
At 1 April 2022	9,503
At 31 March 2023	<u>9,503</u>
Amortisation	
At 1 April 2022	9,503
At 31 March 2023	<u>9,503</u>
Net book value	
At 31 March 2023	<u>-</u>
At 31 March 2022	<u>-</u>

14 Tangible fixed assets

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

15 Debtors

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

16 Creditors: amounts falling due within one year

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

THE CREATIVE ART HOUSE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

17 Funds summary

Statement of funds - current year

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

THE CREATIVE ART HOUSE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

17 Funds summary (continued)

Statement of funds - prior year

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

Capital Project - Drury Lane

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

Capital Project - Carnegie Library

Funded primarily by grants from the Arts Council Lottery towards the costs of developing the 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.

THE CREATIVE ART HOUSE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

17 Funds summary (continued)

Creative Aging

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

Infrared hearing system

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

Studio of Sanctuary

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

Studio of Sanctuary - individuals

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

Mayors Fund

Support for Afgani women and children

SOS - UK Community Renewal Fund

Grant to address barriers people face to participate in employment by developing soft skills in vulnerable adults in Wakefield

Creative Minds

Grant to support Arts and Health classes.

Capital funding

Amounts received towards capital projects.

Tudor Trust - Staff Wellness Programme

Amounts received to support staff, volunteer and Trustee wellbeing.

Creative Minds BAME Project

Funding for Afghan Families Project

Leeds Hospital Charities (NHS) Re-Emerge

Grants to fund Arts & Health activities to support post Covid mental health recovery

ACE Culture Recovery Fund

Grant to support the charity during covid related restrictions

Nova Grant

Mental 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

Perminder Kaur - Arts Council

Funds received which are to be incorporated into Perminder Kaur's residency.

THE CREATIVE ART HOUSE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

17 Funds summary (continued)

Transfers

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

18 Analysis of net assets between funds

Analysis of net assets between funds - current year

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

Analysis of net assets between funds - prior year

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

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

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

20 Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	34,447	29,257
	<u>34,447</u>	<u>29,257</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

21 Analysis of changes in net debt

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

22 Pension commitments

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

23 Operating lease commitments

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

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

24 Related party transactions

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

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