

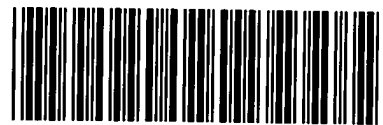
Registered number: 03345162
Charity number: 1063671

THE CREATIVE ART HOUSE
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

FRIDAY



ADIDHOPF

A44

20/12/2024

#179

COMPANIES HOUSE

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Chair's Statement	2
Trustees' Report	3 - 10
Independent Auditor's Report on the financial statements	11 - 14
Statement of Financial Activities	15
Balance Sheet	16
Statement of Cash Flows	17
Notes to the Financial Statements	18 - 35

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

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

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

**INTRODUCTION FROM THE CHAIR
FOR THE YEAR ENDED 31 MARCH 2024**

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

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

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

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

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

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



17 December 2024

Emma Adair - Co-Chair of Trustees



17 December 2024

Andrew Balchin - Co-Chair of Trustees

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2024

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

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

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

Objectives and Activities

a. Policies and Objectives

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

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

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

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

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

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

b. Activities to Achieve Objectives

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

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

Our social engagement activities demonstrate our broader community commitment:

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

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

Achievements and Performance

a. Key Performance Indicators

The key financial performance indicators we monitor include:

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

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

b. Review of Activities

Programme

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

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

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

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

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

In total, the 19 exhibitions we held onsite included:

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

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

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

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

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

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

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

Business Developments

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

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

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

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

Going Concern

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

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

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

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

Structure, Governance, and Management

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

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

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

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

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

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

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

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

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

Funding

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

Earned Income

Earned Income is generated through two primary channels:

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

Charitable Income

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

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

Statutory Income

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

Integrated Approach to Funding

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

Principal Funding Sources

Our principal sources of funding include:

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

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

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

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

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

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

In preparing the financial statements, Trustees are required to:

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

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

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

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

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



.....
Emma Adair
Co-Chair of Trustees

Date: 17/12/2024 | 09:50 GMT



.....
Andrew Balchin
Co-Chair of Trustees

Date: 17/12/2024 | 09:38 GMT

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

THE CREATIVE ART HOUSE
(a company limited by guarantee)

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

THE CREATIVE ART HOUSE
(a company limited by guarantee)

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

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

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

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

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

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

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

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

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

THE CREATIVE ART HOUSE
(a company limited by guarantee)

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

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

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

Use of our report

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

Sumer Auditco

Nick Weller FCCA, Senior Statutory Auditor
Sumer Auditco Ltd

Chartered Accountants & Statutory Auditors
14th Floor, 33 Cavendish Square,
London
W1G 0PW

17/12/2024 | 09:50 GMT

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

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

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

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

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

COMPANY NUMBER: 03345162

BALANCE SHEET AS AT 31 MARCH 2024

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

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

17/12/2024 | 09:50 GMT

Emma Adair

E Adair
Chair of Trustees

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

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

The notes on pages 18 to 35 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 2024

1 Accounting policies

General information

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

1.1 Basis of preparation

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

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

1.2 Going concern

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

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

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

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (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
(a Company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (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
---------	---------------------

1.9 Tangible fixed assets and depreciation

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

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

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

Depreciation is provided on the following bases:

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

Leasehold land is not depreciated.

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (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.

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

2 Income from donation, grants and legacies

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

Income from donation, grants and legacies (prior year)

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

3 Income from charitable activities

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

4 Income from other trading activities

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

Income from other trading activities (prior year)

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

5 Investment income	Unrestricted 2024 £	Unrestricted 2023 £
Bank interest	<u>639</u>	<u>247</u>

THE CREATIVE ART HOUSE
(a Company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

6 Raising funds

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

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

7 Expenditure on charitable activities

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

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

8 Analysis of expenditure by activities

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

8 Analysis of expenditure by activities (continued)

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

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

9 Auditors remuneration

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

10 Staff costs

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

10 Staff costs

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

	2024	2023
	No.	No.
Employees	<u>24</u>	<u>28</u>

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

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

11 Trustees' remuneration and expenses

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

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

12 Intangible assets

	Website £
Cost	
At 1 April 2023	9,503
At 31 March 2024	<u>9,503</u>
Amortisation	
At 1 April 2023	9,503
At 31 March 2024	<u>9,503</u>
Net book value	
At 31 March 2024	<u>-</u>
At 31 March 2023	<u>-</u>

13 Tangible fixed assets

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

14 Debtors

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

15 Creditors: amounts falling due within one year

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

Deferred income

	2024	2023
	£	£
Resources deferred during the year	20,964	-
	<u>20,964</u>	<u>-</u>

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

16 Funds summary

Statement of funds - current year

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

16 Funds summary (continued)

Statement of funds - prior year

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

ACE Capital Funding (CapEx Grant)

To provide support in the maintenance and upkeep of The Art House Building and upgrading for re-positioning and sustainability.

Capital Project - Drury Lane

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

Capital Project - Carnegie Library

Funded primarily by grants from the Arts Council Lottery towards the costs of developing the 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
(a Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

16 Funds summary (continued)

Mayors Fund

Support for Afgani women and children

SOS - UK Community Renewal Fund

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

Creative Minds

Grant to support Arts and Health classes.

Creative Minds BAME Project

Funding for Afghan Families Project

Leeds Hospital Charities (NHS) Re-Emerge

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

ACE Culture Recovery Fund

Grant to support the charity during covid related restrictions

Nova Grant

Mental 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

Permindar Kaur - Arts Council

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

Foyle Foundation

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

Big Give Fundraising

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

Happy Healthy Holidays

School holiday programme of free workshops, activities and healthy food for children and young people.

Funded by the Government's Department for Education, managed via Wakefield Council.

Haribo Fund - Artwalk

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

Nova Wakefield

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

Seaglass Uni

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

16 Funds summary (continued)

Skillshare

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

Wild Escape Project

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

Unlimited Grant

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

Transfers

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

17 Analysis of net assets between funds

Analysis of net assets between funds - current year

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

Analysis of net assets between funds - prior year

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

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

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

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

19 Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand	57,654	34,447
	<u>57,654</u>	<u>34,447</u>

20 Analysis of changes in net debt

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

21 Pension commitments

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

22 Operating lease commitments

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

	2024	2023
	£	£
Not later than 1 year	-	138
Later than 1 year and not later than 5 years	-	-
	<u>-</u>	<u>138</u>

THE CREATIVE ART HOUSE
(a Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

23 Prior year adjustment

ACE Capital Fund

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

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

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

Reclassification

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

Depreciation

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

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

24 Related party transactions

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

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

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