

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2024
for
East Street Arts

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for the Year Ended 31 March 2024

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**REGISTERED COMPANY
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The Trustees, who are also directors of the charity for the purposes of the Companies Act, present their Annual Report and the audited financial statements for the year ended 31 March 2024. This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FR102) (effective 1st January 2015) and in accordance with the Companies Act 2006.

Executive Summary

This report provides an in-depth analysis of East Street Arts' (ESA) financial and operational status for the fiscal year ending 2024, highlighting the challenges faced and the leadership-driven initiatives implemented to ensure recovery and growth. Compiled by the Executive Director, Peopleshare Accountants, and Trustees, this report emphasises financial analysis and strategic decision-making as cornerstones of ESA's road map to stability.

ESA recognises the financial strain experienced during the year and the urgent need for transformation. With decisive leadership and enhanced financial strategies, ESA is confident in achieving long-term sustainability.

Financial Performance Overview

Income and Expenditure Analysis:

- Art Hostel: Strategic interventions, including operational cost reductions and pricing adjustments, improved financial performance significantly
- Temporary Spaces: Persistent inefficiencies in billing and rebate systems led to financial pressures. Enhanced accounting practices are now addressing these gaps to mitigate future risks.
- Balance Sheet: While assets remain robust at £3.57m, the prior year's loss of £776k underscores the critical need for stringent financial controls and proactive cost management.

Key Financial Risks and Mitigation Strategies:

1. **Utility and Rate Disputes:** Historical inaccuracies in billing have led to financial inefficiencies. Corrective actions have recovered £18k, with further disputes under negotiation.
2. **Debtors Management:** Outstanding debts totalling £66.5k demand immediate attention. A new debtor tracking system ensures fortnightly reviews and swift resolutions.
3. **Loan Obligations:** Rising interest rates have amplified loan repayments, particularly for the Art Hostel. Efforts are underway to secure refinancing with more favourable terms.

OBJECTIVES AND ACTIVITIES

Introduction: 30 Years of Artist-Led Change and a Year of Transformation

2023-2024 has been a defining period for East Street Arts (ESA), not only marking 30 years since its founding but also serving as a moment of profound reflection, transition, and renewed focus. Over the past three decades, ESA has played a critical role in shaping artist-led initiatives, creating vital spaces for artistic production, and championing a more inclusive and sustainable arts sector. This milestone year was an opportunity to celebrate past achievements, but also to confront new realities; financial, structural, and strategic, requiring the organisation to evolve, recalibrate, and reaffirm its purpose in a rapidly shifting landscape.

At the heart of ESA's mission remains a steadfast commitment to artists: their practice, their spaces, and their ability to engage meaningfully with audiences and communities. This year, however, tested that commitment in new ways. Financial constraints, shifts in leadership, and broader, sector-wide challenges have necessitated difficult decisions. The organisation has had to restructure, adapt its funding model, and re-examine how best to deliver its core objectives with reduced resources. Yet, even amid these pressures, ESA has demonstrated remarkable resilience, continuing to provide opportunities for artists, advocating for the sustainability of creative workspaces, and delivering ambitious public engagement projects.

A Year of Achievements and Challenges

Despite the turbulence of the past year, ESA has not only maintained but expanded its impact. In the last twelve months, the organisation has:

- **Restructured its leadership and governance** to align with its evolving financial realities and future ambitions.
- **Expanded artist residencies and commissions**, supporting over 40 artists, providing crucial space and financial support for creative experimentation.
- **Strengthened national and international partnerships**, fostering meaningful exchange programmes, particularly through collaborations in Taiwan, Belgium, and the Netherlands.
- **Delivered major public engagement projects**, such as Hidden Histories of New Briggate and A City Less Grey, reinforcing ESA's role in connecting communities with cultural heritage and contemporary artistic practices.
- **Developed strategic advocacy and research initiatives**, contributing to wider discussions on artist-led spaces, fair pay in the arts, and the sustainability of creative work environments.
- **Sustained and evolved the Art Hostel, despite financial challenges**, as a crucial site for artist residencies and cultural exchange.

Adapting to a Changing Landscape

Navigating this period of transition has been complex. The financial landscape for arts organisations has become increasingly precarious, with reduced funding opportunities, rising operational costs, and the ever-present challenge of securing sustainable income streams. In response, ESA has had to make tough decisions, including staff restructuring, a critical reassessment of expenditure, and a renewed focus on income diversification. At the same time, the organisation has remained committed to its core values, ensuring that artists, particularly those facing barriers to opportunities, continue to have access to support, resources, and space to work.

This year also underscored the importance of advocacy. ESA's role extends beyond providing studio space and commissioning projects—it is about shaping the wider ecosystem in which artists operate. The organisation has continued to play a key role in discussions around the future of artist-led spaces, collaborating with national and international partners to push for more sustainable models that prioritise artists' needs and long-term viability.

Recognising Leadership and Legacy

Report of the Trustees
for the Year Ended 31 March 2024

A particularly significant moment this year was the recognition of ESA's co-founders, Karen Watson and Jon Wakeman, who were both awarded MBEs for their contributions to culture and the arts. This honour is not only a testament to their individual contributions but also an acknowledgment of ESA's impact over the past three decades. Their leadership has shaped an organisation that has continually redefined what it means to be artist-led, demonstrating that a commitment to creativity, community, and social change can endure even in the face of significant external challenges.

Looking Ahead

As ESA moves forward, the focus is on sustainability, innovation, and deepening its impact. The coming year will be about building on the foundations laid over the past three decades while ensuring that the organisation remains agile and responsive to the needs of artists and the communities it serves. There is work to be done in securing financial stability, refining ESA's strategic direction, and continuing to advocate for the value of artist-led spaces.

This report offers a detailed and transparent account of ESA's activities, challenges, and achievements over the past year. It reflects on how the organisation has navigated change, maintained its commitment to artists, and sought to ensure that creative spaces remain viable and accessible in an increasingly uncertain landscape. In doing so, it affirms ESA's role as a catalyst for artistic innovation, social engagement, and cultural resilience-now and in the years to come.

OBJECTIVES AND ACTIVITIES

Organisational Change and Leadership Transition

A New Leadership Structure: Responding to Change

The past year has marked one of the most significant periods of transition in the history of East Street Arts (ESA). August 2023 saw the departure of Co-Founder and Programme Artistic Director, Karen Watson, whose leadership was instrumental in shaping the organisation's direction over the past three decades. Karen's departure presented both a challenge and an opportunity-a moment to reflect on ESA's trajectory, reconsider leadership structures, and strengthen the organisation's foundation for the future.

In response, ESA implemented a new leadership framework designed to balance artistic integrity with financial and operational sustainability. In March 2023, Anita Kumari was appointed as Executive Director, assuming responsibility for financial oversight, business development, and governance. Alongside her, Jon Wakeman continued in his role as Artistic Director, focusing on programme development, artist support, and national advocacy for artist-led spaces. This reconfiguration ensured that ESA's artistic mission remained central, while also reinforcing the financial and strategic leadership needed to navigate an increasingly challenging external landscape.

Restructuring for Sustainability: Adapting to Financial Realities

ESA's leadership transition coincided with financial pressures that necessitated a thorough organisational review. The evolving funding environment, rising operational costs, and post-pandemic economic realities all underscored the urgency of restructuring for long-term sustainability. A full-scale review of staffing, operations, and financial models led to key strategic decisions, including:

- **Redefining staff roles and responsibilities to create a leaner**, more efficient structure while maintaining core organisational functions.
- **A temporary freeze on salary increases and new recruitment** to prioritise securing sustainable funding for existing roles.
- **A reassessment of ESA's business model**, particularly in relation to its spaces and the Art Hostel, ensuring a balance between financial viability and accessibility for artists.

These adjustments were not made lightly. They represented difficult but necessary decisions aimed at preserving ESA's long-term impact. The restructuring process, which included consultations with staff and external advisors, highlighted the need for a more adaptable and responsive organisational model-one that could weather financial challenges while maintaining a steadfast commitment to supporting artists and creative communities.

Strengthening Governance: Expanding Expertise and Advocacy

Recognising the importance of strong governance in times of change, ESA prioritised board development as a key component of its leadership transition. Two new trustees, Dr. Marianna Tsionki and Tom Poultney, were appointed, bringing with them a wealth of expertise in higher education, research, and the creative industries. Their roles focus on:

- Strengthening partnerships with universities and emerging artist pathways.
- Providing financial and strategic oversight to ESA's programme and space initiatives.
- Expanding ESA's advocacy for artist-led spaces at a national level.

The appointment of these trustees marks a step forward in ensuring that ESA's leadership reflects both the evolving landscape of the arts sector and the needs of the artists and communities it serves. A second round of trustee recruitment is planned, with a particular emphasis on Equality, Diversity, and Inclusion (EDI), reinforcing ESA's commitment to building a governance structure that is representative, forward-thinking, and equipped to navigate the future.

Managing the Human Impact of Change

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Change, even when necessary, brings challenges. The restructuring process, particularly in relation to staffing, was carefully managed to minimise disruption while addressing financial realities. With freelance contracts ending, staff moving on to new opportunities, and some roles being reassessed or reduced, ESA faced the dual challenge of maintaining morale while implementing strategic adjustments.

- Individual meetings were held with all affected team members to ensure transparency and provide clarity on the outcomes of the restructuring.
- Consultation processes were initiated to explore alternative solutions where possible.
- Efforts were made to retain institutional knowledge and support staff transitions, recognising that continuity is key to sustaining ESA's impact.

Despite these challenges, the restructuring also created opportunities-allowing ESA to rethink its approach to organisational efficiency, staff development, and resource allocation. The shift towards a more focused structure enables the organisation to direct its energies towards its core mission: supporting artists, fostering creative communities, and advocating for sustainable artist-led spaces.

Looking Ahead: Building on Change

The leadership transition and organisational restructuring of the past year represent a defining moment for ESA. Change is rarely easy, particularly in a sector where financial uncertainty is a persistent challenge. However, through strategic realignment, governance strengthening, and a renewed focus on sustainability, ESA is positioning itself for the future.

Key priorities moving forward include:

- **Expanding income generation strategies**, including securing new funding streams and reassessing ESA's financial models to ensure long-term sustainability.
- **Deepening partnerships with academic institutions and the wider creative sector**, leveraging trustee expertise to build stronger pathways for artist development.
- **Enhancing internal efficiency**, with a continued focus on aligning staff structures with ESA's evolving strategic vision.

While the past year has been a period of transition, it has also been a time of renewal. ESA remains committed to its mission-championing artist-led spaces, supporting creative practice, and ensuring that the voices of artists continue to shape the cultural landscape. As the organisation moves forward, it does so with a leadership structure that is both reflective of its heritage and ready to embrace the challenges and opportunities of the future.

OBJECTIVES AND ACTIVITIES

Financial Landscape: Challenges, Strategic Adjustments, and Sustainability

Over the past year, East Street Arts (ESA) has navigated a complex and often unpredictable financial landscape, shaped by external economic pressures, internal restructuring, and evolving funding priorities. Like many organisations in the arts sector, ESA has faced a perfect storm of rising operational costs, inflationary pressures, and ambitious income projections that, in hindsight, required recalibration. These challenges have compelled ESA to rethink its financial strategy, balancing fiscal prudence with a commitment to artistic and community impact.

Despite these financial headwinds, ESA has demonstrated resilience by securing significant funding awards that provide long-term stability and reinforce its strategic objectives. Chief among these successes is the £3.75 million secured for the **Keighley Creative Hub**, a landmark project that will deliver much-needed creative space for artists and local communities. Additionally, ESA successfully renewed its **National Portfolio Organisation (NPO) funding** from Arts Council England, ensuring continuity for its core programmes, residencies, and artist development initiatives. Further investment was secured to expand the **Creative Workspace Network (CWN)**, with a £25,000 grant reinforcing ESA's role in advocating for sustainable, artist-led spaces across the UK.

Strategic Adjustments in Financial Management

In response to income shortfalls-most notably from ESA's spaces and the Art Hostel-swift corrective action was taken to bring financial projections in line with operational realities. A **comprehensive financial review** highlighted the need for a more rigorous and sustainable approach to budgeting. Several strategic measures were introduced, including:

- **Revised financial modelling**, ensuring income forecasts are grounded in realistic and attainable targets.
- **Stronger budget oversight**, with increased scrutiny over expenditure, stricter spending caps, and an additional authorisation process for financial approvals.
- **Delays or restructuring of non-essential projects**, prioritising those with secured, long-term funding.
- **A review of pricing structures** across ESA's spaces and the Art Hostel, aiming to strike a balance between accessibility and financial sustainability.
- **Proactive pursuit of new funding streams**, particularly focusing on artist support initiatives and public engagement programmes.

While these adjustments were not without challenges, they have laid the groundwork for a more sustainable financial model that prioritises long-term stability over short-term gains.

Addressing Structural and Operational Challenges

Beyond financial recalibration, ESA has also undertaken significant **structural and operational adjustments** to align with its financial realities. Organisational restructuring has been a necessary, albeit difficult, process, with several roles identified as at risk of redundancy and reductions in working hours for key staff positions. These decisions have been made with the overarching aim of ensuring ESA remains financially viable while continuing to deliver on its mission.

Additionally, the leadership team has worked to **streamline administrative processes**, particularly in finance and business operations. The transition to external financial management support, coupled with internal restructuring, has provided an opportunity to reassess workflows, improve efficiencies, and introduce more robust financial oversight.

The Art Hostel: A Case Study in Financial Sustainability

The **Art Hostel** has been a focal point of financial scrutiny, as its income projections did not align with actual occupancy levels. While it has continued to host a diverse range of artists and cultural practitioners-including international collaborations and artist residencies-its ability to generate revenue has been hampered by rising operational costs, increased utility expenses, and fluctuating booking trends.

In response, ESA has implemented a **comprehensive review of the hostel's financial model**, including:

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- A pricing strategy reassessment to ensure rates remain competitive while covering operational costs.
- Supplier reviews to explore cost-saving measures in areas such as laundry, cleaning, and utilities.
- Strategic marketing efforts to boost direct bookings, reducing reliance on high-commission online travel agencies.
- Strengthened partnerships with local businesses to enhance guest experience while minimising expenditure.

Despite financial challenges, the Art Hostel remains a vital part of ESA's offer, providing a unique intersection of artistic engagement and hospitality. Continued refinements in its operational strategy will be essential in securing its long-term viability.

Moving Forward: A More Resilient Future

ESA's financial challenges over the past year have underscored the importance of **agility, strategic foresight, and prudent resource management**. While the organisation has faced difficulties, it has also demonstrated its ability to adapt, recalibrate, and emerge stronger. The next phase of ESA's financial strategy will focus on **sustained growth through diversified income streams, increased fundraising efforts**, and **a refined approach to budget management** that ensures financial stability without compromising artistic ambition.

Through a combination of **careful financial stewardship, strategic funding acquisition, and operational efficiencies**, ESA is now better positioned to navigate the challenges ahead. The commitment to supporting artists, fostering creative spaces, and engaging communities remains unwavering, and with a stronger financial foundation, the organisation can continue to drive meaningful cultural impact well into the future.

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Supporting Artists: Residencies, Commissions, and Development

East Street Arts (ESA) has long championed artist-led practice, and the past year has reinforced our commitment to fostering creative innovation, professional growth, and meaningful public engagement. Through a dynamic programme of residencies, commissions, and artist support initiatives, we have not only provided tangible opportunities but also strengthened our advocacy for sustainable careers in the arts. Despite financial constraints, we have continued to prioritise artist development, ensuring access to vital resources, expert guidance, and space for experimentation.

Residencies: Experimentation, Innovation, and Community Engagement

Residencies remain a cornerstone of ESA's support structure, offering artists the time, space, and resources to push the boundaries of their practice. Over the past year, **13 artists** took part in residencies at **Convention House**, where they engaged with emerging technologies such as **virtual reality, 3D printing, and drone photography** while also exploring socially engaged practices. Convention House has evolved into a hub where artists not only develop new work but also interact with local communities and specialist collaborators, forging cross-disciplinary conversations and expanding the reach of their projects.

Our international exchange programme has also continued to flourish. Through partnerships with organisations such as **Treasure Hill Artist Village (Taipei)** and **Platform Asia**, we have facilitated artist residencies that transcend borders, enabling practitioners to engage with different cultural and artistic ecosystems. These exchanges have created reciprocal learning experiences, allowing international artists to work in Leeds while ESA-supported artists travel abroad, enriching their perspectives and networks.

For the **Treasure Hill Artist Village** exchange, **Sayang**, based in Leeds, travelled to **Treasure Hill Artist Village** in Taipei to work on a community-focused public art project. **Jui-Hung Ni**, an artist based in Taipei, joined us here at East Street Arts for a residency that focused on public engagement, civic practice, and cross-cultural dialogue. This exchange highlighted the global nature of our work, with **Leeds2023** helping to strengthen ties between international artistic communities and fostering collaboration on a global scale.

As part of the Netherlands Exchange, **Chiara Tammaro** and **Tom Dijkstra** took part in residencies facilitated by **Leeds2023** and **The Dutch Embassy**. During their time at East Street Arts, they explored community co-curation methods and art in the public realm, enriching both their own practices and the local creative community.

A significant highlight was the **Shifting Sands** research project, which explored graduate progression routes for early-career artists. This initiative identified key barriers to sustainable careers in the arts and informed new strategies for supporting emerging practitioners. Roundtable discussions with freelancers, educators, and arts organisations in Leeds and Glasgow provided valuable insights into how ESA can continue to foster an environment where early-career artists can thrive.

Commissions: Expanding the Scope of Public Art

The strength of ESA's commissioning programme lies in its ability to support artists in developing ambitious new work while embedding artistic practice within local communities. This year, **41 artists and collectives** were commissioned, contributing to the cultural fabric of Leeds and beyond. The commissions ranged from site-specific installations to large-scale public artworks, each responding to the themes of heritage, migration, social change, and environmental concerns.

Among the notable projects:

- **Harry Clayton-Wright & Yaku Stapleton** - Hidden Histories of New Briggate commissions, exploring the layered histories of the iconic Leeds street through light-based installations and performance.
- **Rhian Kempadoo-Miller** - **A Carnival-themed mural** in Chapeltown, celebrating the vibrancy of Caribbean heritage and community identity, co-created with local residents. This project was a significant collaboration with the **Leeds West Indian Carnival**, reinforcing the deep cultural connections to the carnival tradition and the wider community.
- **Add Fuel (Diogo Machado)** - 'Echoes' mural in Mabgate, inspired by the legacy of **Burmantofts Pottery**, blending contemporary street art with historical craftsmanship.

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- **Mohammad Barrangi** - A **three-site public artwork**, reflecting his personal journey of migration and storytelling through his distinctive visual language.
- **Tahera Aziz** - **[re]locate**, a sound installation marking the 30-year anniversary of the **murder of Stephen Lawrence**, bringing themes of racial injustice, memory, and activism into the public realm.

Each of these projects has not only expanded ESA's reputation as a leading commissioner of contemporary art but also engaged thousands of local residents, visitors, and international audiences. **Hidden Histories of New Briggate**, for example, reached over **10,000 people** during **Leeds Light Night**, demonstrating the power of site-responsive work in engaging new audiences.

Artist Support: Advocacy, Mentorship, and Professional Development

Beyond residencies and commissions, ESA continues to provide extensive **one-to-one support** for artists navigating the complexities of sustaining a career in the arts. In the past year:

- **240 bespoke support sessions** were delivered, covering **funding applications, marketing, technical support, and portfolio development**.
- Support was extended to over **130 artists, collectives, and arts organisations**, with **21% of participants engaging with ESA for the first time**.
- Areas of focus ranged from PhD supervision and academic research partnerships to **studio visits, public engagement strategies, and sustainability practices**.

ESA's advocacy work has also gained momentum. Through the **Creative Workspace Network (CWN)**, we have been at the forefront of **national discussions on artist-led spaces**, contributing to research, policy recommendations, and funding strategies aimed at securing **affordable, sustainable studios** for artists. Our efforts have included presenting data to **Arts Council England (ACE)**, hosting sector-wide discussions, and leading the development of **methodologies for creative capital projects**.

Looking Forward: Strengthening Our Commitment to Artists

As ESA moves into the next phase of its programme, we remain committed to refining and expanding our support structures. We recognise that artists need more than just space and funding—they require **long-term strategic support, networking opportunities, and access to specialist knowledge**. Our upcoming priorities include:

- **Deepening our international partnerships** to provide more opportunities for exchange and collaboration.
- **Securing additional funding for artist development**, ensuring that artists at all career stages have access to sustainable pathways.
- **Advancing our public engagement strategies**, bringing art into everyday spaces and making it accessible to a wider audience.
- **Expanding our mentorship and peer-support networks**, allowing artists to learn from one another in structured, meaningful ways.

Despite the challenges of reduced budgets and sector-wide financial strain, ESA remains steadfast in its belief that **artists are at the heart of cultural transformation**. By continuing to invest in residencies, commissions, and professional development, we are not only supporting individual artists but also strengthening the creative ecology of Leeds and beyond.

Community and Public Engagement: Transforming Local Connections through Art and History

East Street Arts (ESA) has dedicated this year to strengthening its relationships with the local community while also advancing public art initiatives that aim to uncover hidden histories, celebrate diversity, and create lasting social impact. These projects emphasize place-based cultural development, offering both artists and local communities a chance to connect, collaborate, and contribute to the collective memory and cultural evolution of their areas.

Hidden Histories of New Briggate: A Landmark Public Art Project

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One of the standout achievements this year has been the **Hidden Histories of New Briggate** project, a bold public art initiative that explored and celebrated the rich, often overlooked, cultural legacy of Leeds' New Briggate district. By weaving together public art, storytelling, and historical research, ESA brought to light the district's significant LGBTQ+ history, textile heritage, and evolving social dynamics.

Key milestones include:

- **23 artists commissioned** to respond creatively to New Briggate's diverse history, creating works that ranged from visual art to performance.
- A **two-day Light Night installation** that drew over **10,000 attendees**, showcasing the area's hidden histories through dynamic light-based public art.
- A **sold-out performance** at the Howard Assembly Rooms, which reimagined the district's entertainment heritage.
- A series of **walking tours, exhibitions, and public events**, which engaged local residents and visitors alike, fostering a deeper connection to New Briggate's past and its vibrant future.

The success of this project is a testament to ESA's ability to merge artistic creativity with historical exploration, ensuring that New Briggate's stories are preserved and continue to resonate within the city's evolving cultural landscape.

Summer School 2023: Creativity, Climate, and Community

In 2023, ESA's Summer School served as an inspiring platform for young people from Burmantofts, Chapeltown, and Harehills, offering them an opportunity to engage with pressing global issues, such as climate change, through the lens of creative expression. This year, the program expanded its reach to include intergenerational collaborations, bridging the gap between youth and elder community members to foster deeper, multi-generational understanding.

Key highlights of the **Summer School 2023** include:

- **Workshops** focused on **sustainable artistic practices** and climate activism, allowing participants to explore creative solutions to environmental challenges.
- **Intergenerational collaborations**, where young people worked alongside community elders, exchanging wisdom and experiences while developing new, collaborative artistic works.
- A **final showcase event** that demonstrated the power of art to unite individuals and ignite social change. This event not only highlighted the creativity of the participants but also underscored the role of art in fostering community-led storytelling and connection.

The success of the Summer School reaffirmed ESA's commitment to engaging and empowering future generations, providing them with the tools and inspiration needed to become active stewards of their community and environment.

Public Engagement and Community Impact: A Year of Transformation

Throughout the year, ESA's engagement with local communities has been a driving force behind numerous transformative projects that have created lasting social impact. ESA's work remains deeply embedded in the neighborhoods of Leeds, ensuring that its artistic initiatives are accessible, inclusive, and relevant to the people they serve.

Key public engagement highlights include:

- The **Neighbourhood Forum for Mabgate, Burmantofts, and Lincoln Green**, which has successfully transitioned to full **resident-led ownership**, giving local residents the autonomy to shape their own community's future.
- The **Hidden Histories of New Briggate** project, which engaged over **10,000 people** through public art installations, performances, and heritage-based storytelling, solidifying ESA's role as a catalyst for local cultural regeneration.

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- The **A City Less Grey** program, which continued to enhance Leeds' public spaces through **new murals** and art commissions, including a **carnival-themed mural in Chapeltown**, reflecting the district's diverse cultural heritage.

ESA's ongoing commitment to place-based cultural development is evident in its ability to empower both artists and communities to co-create projects that have a lasting impact on local cultural and social landscapes. By fostering collaboration, ESA ensures that the voices of local residents are integral to the artistic process, resulting in projects that not only reflect the community's identity but also inspire future generations to continue this legacy.

Conclusion: A Vision for 2024-2025 and Beyond

As East Street Arts (ESA) moves forward into its next chapter, it does so with a renewed sense of ambition, resilience, and commitment to artist-led practice. The past year has been one of transition, adaptation, and strategic decision-making, ensuring that ESA remains at the forefront of artist development, creative space provision, and community engagement. While financial challenges have necessitated difficult choices, they have also provided an opportunity to refine the organisation's focus, strengthen its foundations, and set clear priorities for the coming years.

At the heart of ESA's vision for 2024-2025 lies a dedication to **strengthening financial resilience**, ensuring long-term sustainability for both the organisation and the artists it serves. This involves securing diverse funding streams, maximising the potential of ESA's creative spaces, and developing strategic partnerships that align with the organisation's values and mission. The Keighley Creative Hub capital project, for example, stands as a testament to ESA's ability to secure investment in artist-led infrastructure, with £3.75m in funding now confirmed. Similar approaches will be taken to enhance the viability of existing sites, including Convention House, Patrick Studios, and the Art Hostel, ensuring that they not only serve as creative spaces but also contribute to ESA's financial stability.

Alongside financial resilience, expanding artist residencies and commissions remains a central priority. ESA's residency programme has continued to flourish, with key international exchanges taking place in Taipei, Ghent, and Groningen, as well as locally-led commissions that place artists at the heart of community storytelling. The Art Hostel has hosted a growing number of international artists, musicians, and creatives, reinforcing ESA's role as a hub for global artistic exchange. Looking ahead, the organisation aims to deepen these connections, fostering more opportunities for UK-based artists to engage in reciprocal exchanges abroad while continuing to welcome international artists into ESA's spaces.

Crucially, ESA's work is not just about supporting artists-it is also about fostering **community-led public art initiatives** that create meaningful and lasting change. The 'Hidden Histories of New Briggate' and 'A City Less Grey' projects have demonstrated the power of public art to shape narratives, reclaim space, and engage diverse audiences. The commitment to embedding artists within local communities, through co-created projects that reflect heritage, identity, and place, will continue to be a driving force. Initiatives such as the Chapeltown mural, storytelling projects, and collaborations with educational institutions highlight ESA's role in bridging the gap between artists and the wider public.

Despite the uncertainties that lie ahead-whether economic, political, or sector-specific-ESA remains steadfast in its belief that artist-led approaches are vital to a thriving cultural ecosystem. The challenges of recent years have reinforced the organisation's ability to adapt, innovate, and find solutions that sustain both creative practice and community engagement. As ESA enters its next 30 years, it does so with a renewed determination to shape a future that is **inclusive, sustainable, and artist-centred**.

ESA is more than an organisation-it is a movement, a network, and a catalyst for artistic and social change. As the coming year unfolds, it will continue to champion the needs of artists, advocate for the role of culture in urban and civic life, and provide the spaces, opportunities, and support structures that allow creativity to flourish. With a clear vision and an unwavering commitment to its mission, ESA stands ready to embrace the future, ensuring that artists remain at the heart of everything it does.

STRATEGIC REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

East Street Arts (ESA) is a registered charity, constituted as a company limited by guarantee and is therefore governed by a Memorandum and Articles of Association. The company was incorporated on 15 July 1998 and in the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of East Street Arts for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, CLA Evelyn Partners Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 24 March 2025 and signed on the board's behalf by:

Nick Ramshaw

N M Ramshaw - Trustee

Opinion

We have audited the financial statements of East Street Arts (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management; and from our commercial knowledge and experience of the heating sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, including the impact on revenue recognition, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- used data analytics software to test journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosure to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Report of the Independent Auditors to the Members of
East Street Arts

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 Report of the Independent Auditors.

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 auditors' 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.

CLA Evelyn Partners Limited

Matthew Barton (Hons) FCA CTA (Senior Statutory Auditor)
for and on behalf of CLA Evelyn Partners Limited
Chartered Accountants &
Statutory Auditors
3rd Floor
56 Wellington Street
Leeds
West Yorkshire
LS1 2EE

31 March 2025

Statement of Financial Activities
for the Year Ended 31 March 2024

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	342,749	12,050	354,799	205,369
Charitable activities	6				
Core		284,722	-	284,722	187,016
National grants		111,566	32,100	143,666	241,126
Rent of studio space		117,693	-	117,693	119,985
Temporary spaces		332,266	-	332,266	476,392
Regional grants		9,700	56,819	66,519	10,658
Other trading activities	4	17,297	63,250	80,547	70,519
Investment income	5	10,970	-	10,970	9,896
Other income	7	-	-	-	22,356
Total		<u>1,226,963</u>	<u>164,219</u>	<u>1,391,182</u>	<u>1,343,317</u>
EXPENDITURE ON					
Charitable activities	8				
Charitable activities		-	-	-	2,431
Core		374,825	12,858	387,683	389,914
Temporary spaces		337,708	-	337,708	463,877
Studio spaces		149,942	-	149,942	142,810
Other projects		355,324	208,362	563,686	763,850
Art hostel		311,600	34,279	345,879	357,102
Total		<u>1,529,399</u>	<u>255,499</u>	<u>1,784,898</u>	<u>2,119,984</u>
NET INCOME/(EXPENDITURE)		(302,436)	(91,280)	(393,716)	(776,667)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,049,449	2,098,334	3,147,783	3,924,450
TOTAL FUNDS CARRIED FORWARD		<u><u>747,013</u></u>	<u><u>2,007,054</u></u>	<u><u>2,754,067</u></u>	<u><u>3,147,783</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

East Street Arts

Balance Sheet
31 March 2024

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	15	992,044	1,996,149	2,988,193	3,092,046
Investments	16	-	-	-	413
		<u>992,044</u>	<u>1,996,149</u>	<u>2,988,193</u>	<u>3,092,459</u>
CURRENT ASSETS					
Debtors	17	181,198	-	181,198	211,608
Cash at bank		<u>386,037</u>	<u>10,905</u>	<u>396,942</u>	<u>725,079</u>
		567,235	10,905	578,140	936,687
CREDITORS					
Amounts falling due within one year	18	(132,899)	-	(132,899)	(190,998)
		<u>434,336</u>	<u>10,905</u>	<u>445,241</u>	<u>745,689</u>
NET CURRENT ASSETS					
		434,336	10,905	445,241	745,689
TOTAL ASSETS LESS CURRENT LIABILITIES		1,426,380	2,007,054	3,433,434	3,838,148
CREDITORS					
Amounts falling due after more than one year	19	(679,367)	-	(679,367)	(690,365)
		<u>747,013</u>	<u>2,007,054</u>	<u>2,754,067</u>	<u>3,147,783</u>
NET ASSETS					
		747,013	2,007,054	2,754,067	3,147,783
FUNDS	21				
Unrestricted funds				747,013	1,049,449
Restricted funds				<u>2,007,054</u>	<u>2,098,334</u>
TOTAL FUNDS				<u>2,754,067</u>	<u>3,147,783</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 24 March 2025 and were signed on its behalf by:

Nick Ramshaw

N M Ramshaw - Trustee

Cash Flow Statement
for the Year Ended 31 March 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	(258,690)	(543,114)
Interest paid		(60,974)	(52,118)
Net cash used in operating activities		<u>(319,664)</u>	<u>(595,232)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,763)	(22,619)
Sale of fixed asset investments		413	-
Interest received		10,970	9,896
Net cash provided by/(used in) investing activities		<u>7,620</u>	<u>(12,723)</u>
Cash flows from financing activities			
Loan repayments in year		(16,093)	(30,389)
Net cash used in financing activities		<u>(16,093)</u>	<u>(30,389)</u>
Change in cash and cash equivalents in the reporting period		<u>(328,137)</u>	<u>(638,344)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>725,079</u>	<u>1,363,423</u>
Cash and cash equivalents at the end of the reporting period		<u><u>396,942</u></u>	<u><u>725,079</u></u>

Notes to the Cash Flow Statement
for the Year Ended 31 March 2024

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(393,716)	(776,667)
Adjustments for:		
Depreciation charges	107,616	101,082
Interest received	(10,970)	(9,896)
Interest paid	60,974	52,118
Adjustments	-	(8,444)
Decrease in debtors	30,410	33,966
(Decrease)/increase in creditors	(53,004)	64,727
Net cash used in operations	<u>(258,690)</u>	<u>(543,114)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1/4/23 £	Cash flow £	At 31/3/24 £
Net cash			
Cash at bank	<u>725,079</u>	<u>(328,137)</u>	<u>396,942</u>
	<u>725,079</u>	<u>(328,137)</u>	<u>396,942</u>
Debt			
Debts falling due within 1 year	(31,907)	5,095	(26,812)
Debts falling due after 1 year	<u>(690,365)</u>	<u>10,998</u>	<u>(679,367)</u>
	<u>(722,272)</u>	<u>16,093</u>	<u>(706,179)</u>
Total	<u>2,807</u>	<u>(312,044)</u>	<u>(309,237)</u>

1. CHARITY INFORMATION

East Street Arts is a private company limited by guarantee incorporated in England and Wales. The registered office is Patrick Studios, St Mary's Lane, Leeds, LS9 7EH.

In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity's loan facility is reviewed annually by the provider and the trustees are not aware of any reason why the facility would be withdrawn. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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 company 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.

Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Voluntary income received by way of grants is included in full in the statement of financial activities when receivable, and matched to specific time periods or expenditure where appropriate.

Investment income is included when receivable.

2. ACCOUNTING POLICIES - continued

Charitable funds

Income from charitable activities, which includes grants, rent and other income is included when receivable and accounted for when earned, except when donors conditions have not been fulfilled, then the income is include in creditors as deferred income.

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 are allocated on the portion of the asset's use.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2%, 2.5% and 5% straight line
Tenants improvements	Straight line over the lease term
Leasehold improvements	7 years straight line
Fixtures and fittings	20% reducing balance
Computer equipment	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. ACCOUNTING POLICIES - continued

Taxation

East Street Arts is considered to pass tests set out in Paragraph 1 Schedule 6 of the Finance Act 20210 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company 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 exclusively to charitable purposes.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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.

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.

Creditors

Short term creditors are measured at the transaction price.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

2. ACCOUNTING POLICIES - continued

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Key sources of estimation uncertainty

Impairment of assets

Where there are indications of impairment, management performs an impairment test. For trade debtors this may simply be a review of the age profile of the debtors against the relevant payment terms and consideration of the debtors' payment history. Any other relevant factors, of which management are aware, will also be considered, together with comparison of historical impairment provisions against actual outcomes.

Tangible fixed assets and depreciation

In order to implement the charity's accounting policy in respect of tangible fixed assets, management has to estimate the useful life of each category of such assets, determine which category individual assets belong, estimate the possibility and amount of residual values and allocate the cost of some assets between their major components, when such components have different useful lives. Management relies on industry knowledge, local facts, commonly used accounting practices, prior experience, specialist/professional advice (both current and historic) and any other relevant information which they are aware of, in order to make these estimates.

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	1,576	30
Gift aid	50	50
Grants	353,173	205,289
	<u>354,799</u>	<u>205,369</u>

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Leeds City Council - Arts@Leeds Grant	12,050	45,000
Art Council England - NPO Grant	341,123	160,289
	<u>353,173</u>	<u>205,289</u>

4. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Other income	<u>80,547</u>	<u>70,519</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

5. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	10,970	9,896

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2024	2023
		£	£
Income from charitable activities	Core	284,722	187,016
Grants	National grants	143,666	241,126
Rent of studio space	Rent of studio space	117,693	119,985
Donations and recharges from temporary space programme	Temporary spaces	332,266	476,392
Grants	Regional grants	66,519	10,658
		944,866	1,035,177

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Grants	210,185	251,784

7. OTHER INCOME

	2024	2023
	£	£
Kickstarter grants	-	22,356

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9)	Support costs (see note 10)	Totals
	£	£	£
Core	310,681	77,002	387,683
Temporary spaces	329,554	8,154	337,708
Studio spaces	140,785	9,157	149,942
Other projects	512,145	51,541	563,686
Art hostel	345,682	197	345,879
	1,638,847	146,051	1,784,898

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024	2023
	£	£
Staff costs	605,796	660,287
Project expenses	149,972	187,993
Direct costs	261,363	385,605
Other staffing costs	68,866	38,726
Programme costs	94,360	290,754
Bad and doubtful debts	6,534	22,874
Irrecoverable VAT	15,934	43,551
Premises costs	220,842	214,298
Artists fees	50,262	7,261
Depreciation	107,616	114,886
Interest payable and similar charges	57,302	49,185
	<u>1,638,847</u>	<u>2,015,420</u>

10. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Core	35,955	41,047	77,002
Temporary spaces	8,154	-	8,154
Studio spaces	9,157	-	9,157
Other projects	51,541	-	51,541
Art hostel	197	-	197
	<u>105,004</u>	<u>41,047</u>	<u>146,051</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Audit and accountancy	7,000	11,300
Depreciation - owned assets	<u>107,616</u>	<u>114,887</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

Trustees' expenses

Clare Price was paid £NIL (2023: £550). Minoti Parikh received £24,450 (2023: £8,000) in relation to provision of training for East Street Arts employees around managing conflict and company culture through data collection and a survey.

None of the other trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

13. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	542,698	596,199
Social security costs	46,703	47,321
Other pension costs	16,395	16,767
	<u>605,796</u>	<u>660,287</u>

The average monthly number of employees during the year was as follows:

	2024	2023
Employees	<u>22</u>	<u>27</u>

No employees received emoluments in excess of £60,000.

During the year the total remuneration paid to key management personnel was £110,260 (2023: £113,986).

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	205,369	-	205,369
Charitable activities			
Core	187,016	-	187,016
National grants	55,036	186,090	241,126
Rent of studio space	119,985	-	119,985
Temporary spaces	476,392	-	476,392
Regional grants	10,658	-	10,658
Other trading activities	68,719	1,800	70,519
Investment income	9,896	-	9,896
Other income	22,356	-	22,356
Total	<u>1,155,427</u>	<u>187,890</u>	<u>1,343,317</u>
EXPENDITURE ON			
Charitable activities			
Charitable activities	2,431	-	2,431
Core	389,914	-	389,914
Temporary spaces	463,877	-	463,877
Studio spaces	142,810	-	142,810
Other projects	157,899	605,951	763,850
Art hostel	331,118	25,984	357,102
Total	<u>1,488,049</u>	<u>631,935</u>	<u>2,119,984</u>
NET INCOME/(EXPENDITURE)	(332,622)	(444,045)	(776,667)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,382,071	2,542,379	3,924,450

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	1,049,449	2,098,334	3,147,783

15. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £
COST			
At 1 April 2023	3,398,129	71,603	197,911
Additions	-	-	3,763
At 31 March 2024	3,398,129	71,603	201,674
DEPRECIATION			
At 1 April 2023	494,433	11,081	71,192
Charge for year	69,942	10,229	26,473
At 31 March 2024	564,375	21,310	97,665
NET BOOK VALUE			
At 31 March 2024	2,833,754	50,293	104,009
At 31 March 2023	2,903,696	60,522	126,719
	Tenants improvements £	Computer equipment £	Totals £
COST			
At 1 April 2023	128,751	76,016	3,872,410
Additions	-	-	3,763
At 31 March 2024	128,751	76,016	3,876,173
DEPRECIATION			
At 1 April 2023	128,752	74,906	780,364
Charge for year	-	972	107,616
At 31 March 2024	128,752	75,878	887,980
NET BOOK VALUE			
At 31 March 2024	(1)	138	2,988,193
At 31 March 2023	(1)	1,110	3,092,046

The Unity Trust Bank PLC have a legal charge on the property known as Patrick Studios, St Mary's Lane, Leeds, LS9 7EH dated 18th March 2020 pursuant to Chapter A1 Part 25 of the Companies Act 2006. The property had a carried forward value of £1,216,507 (2022: £1,155,187) at the year end.

The Unity Trust Bank PLC also have a legal charge on the property known as New York Studios, New York Road, Leeds, LS9 7DW dated 18th September 2018 pursuant to Chapter A1 Part 25 of the Companies Act 2006. The property had a carried forward value of £511,719 (2022: £522,986) at the year end.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

16. FIXED ASSET INVESTMENTS

There were no investment assets outside the UK.

The charity purchased £50 of investment on 19 September 2007 which was allocated into the Phone Co-op share capital account. The charity receives dividends as a percentage on their call expenditure and interest as a percentage of their investment which is retained within their investment share capital account.

The shares have been written off in the year therefore investment is now nil at the end of the year.

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	66,507	110,196
Other debtors	104,676	66,943
Prepayments and accrued income	10,015	34,469
	<u>181,198</u>	<u>211,608</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Bank loans and overdrafts (see note 20)	26,812	31,907
Trade creditors	26,672	60,974
Social security and other taxes	10,446	12,407
Other creditors	20,610	20,421
Accruals and deferred income	48,359	65,289
	<u>132,899</u>	<u>190,998</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024 £	2023 £
Bank loans (see note 20)	<u>679,367</u>	<u>690,365</u>

20. LOANS

An analysis of the maturity of loans is given below:

	2024 £	2023 £
Amounts falling due within one year on demand:		
Bank loans	<u>26,812</u>	<u>31,907</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	-	690,365
Repayable otherwise than by instalments:		
Bank loans more 5 yrs non-inst	<u>679,367</u>	<u>-</u>

A loan from Unity Trust Bank PLC, secured by way of legal charge on the properties known as New York Studios, New York Road, Leeds, LS 9 7DW and Patrick Studios, St Mary's Lane, Leeds, LS9 7EH. The Charity has a fixed repayment schedule in place with the loan to be repaid in full by March 2040.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

21. MOVEMENT IN FUNDS

	At 1/4/23 £	Net movement in funds £	At 31/3/24 £
Unrestricted funds			
General fund	1,049,449	(302,436)	747,013
Restricted funds			
Capital Project	1,120,981	(33,580)	1,087,401
Barkston Ceramics	4,110	-	4,110
MARYS Capital Project	433,301	(7,005)	426,296
ACE Convention House	299,579	(8,881)	290,698
Leeds CC Convention House	84,335	-	84,335
Add Fuel	23,962	(23,962)	-
Art Hostel Commissions	11,014	-	11,014
Art Hostel Refurbishment	115,437	(12,237)	103,200
Garfield Weston	615	(615)	-
Haribo Happiness	5,000	(5,000)	-
	<u>2,098,334</u>	<u>(91,280)</u>	<u>2,007,054</u>
TOTAL FUNDS	<u>3,147,783</u>	<u>(393,716)</u>	<u>2,754,067</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,226,963	(1,529,399)	(302,436)
Restricted funds			
Capital Project	-	(33,580)	(33,580)
MARYS Capital Project	-	(7,005)	(7,005)
ACE Convention House	-	(8,881)	(8,881)
Add Fuel	-	(23,962)	(23,962)
Art Hostel Refurbishment	-	(12,237)	(12,237)
Garfield Weston	-	(615)	(615)
Haribo Happiness	-	(5,000)	(5,000)
Arts Council Creative Workspace	22,500	(22,500)	-
Leeds CC - Arts @ Leeds	12,050	(12,050)	-
A City Less Grey	50,000	(50,000)	-
Leeds Creative Labs Artist	6,250	(6,250)	-
Carnival Mural Project	2,000	(2,000)	-
Neighbourhood Plan	5,000	(5,000)	-
The Netherlands Creative Exchange Project	9,600	(9,600)	-
Bradford MDC	56,819	(56,819)	-
	<u>164,219</u>	<u>(255,499)</u>	<u>(91,280)</u>
TOTAL FUNDS	<u>1,391,182</u>	<u>(1,784,898)</u>	<u>(393,716)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

21. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1/4/22 £	Net movement in funds £	At 31/3/23 £
Unrestricted funds			
General fund	1,382,071	(332,622)	1,049,449
Restricted funds			
Capital Project	1,160,657	(39,676)	1,120,981
Barkston Ceramics	6,200	(2,090)	4,110
MARYS Capital Project	455,890	(22,589)	433,301
Programme CLLD	5,069	(5,069)	-
ACE Convention House	319,509	(19,930)	299,579
Leeds CC Convention House	82,535	1,800	84,335
Programme GUILD	82,086	(82,086)	-
WYCA Bike Shed	5,000	(5,000)	-
Add Fuel	27,279	(3,317)	23,962
Art Hostel Commissions	13,992	(2,978)	11,014
Art Hostel Refurbishment	138,443	(23,006)	115,437
WYCA	9,688	(9,688)	-
Garfield Weston	143,507	(142,892)	615
Haribo Happiness	574	4,426	5,000
DCMS - CRF Grant Round One	91,950	(91,950)	-
	<u>2,542,379</u>	<u>(444,045)</u>	<u>2,098,334</u>
TOTAL FUNDS	<u>3,924,450</u>	<u>(776,667)</u>	<u>3,147,783</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

21. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,155,427	(1,488,049)	(332,622)
Restricted funds			
Capital Project	-	(39,676)	(39,676)
Barkston Ceramics	-	(2,090)	(2,090)
MARYS Capital Project	-	(22,589)	(22,589)
Programme CLLD	-	(5,069)	(5,069)
ACE Convention House	-	(19,930)	(19,930)
Leeds CC Convention House	1,800	-	1,800
Programme GUILD	180,828	(262,914)	(82,086)
WYCA Bike Shed	-	(5,000)	(5,000)
Add Fuel	-	(3,317)	(3,317)
Art Hostel Commissions	-	(2,978)	(2,978)
Art Hostel Refurbishment	-	(23,006)	(23,006)
WYCA	-	(9,688)	(9,688)
Garfield Weston	262	(143,154)	(142,892)
Haribo Happiness	5,000	(574)	4,426
DCMS - CRF Grant Round One	-	(91,950)	(91,950)
	<u>187,890</u>	<u>(631,935)</u>	<u>(444,045)</u>
TOTAL FUNDS	<u><u>1,343,317</u></u>	<u><u>(2,119,984)</u></u>	<u><u>(776,667)</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

21. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/22 £	Net movement in funds £	At 31/3/24 £
Unrestricted funds			
General fund	1,382,071	(635,058)	747,013
Restricted funds			
Capital Project	1,160,657	(73,256)	1,087,401
Barkston Ceramics	6,200	(2,090)	4,110
MARYS Capital Project	455,890	(29,594)	426,296
Programme CLLD	5,069	(5,069)	-
ACE Convention House	319,509	(28,811)	290,698
Leeds CC Convention House	82,535	1,800	84,335
Programme GUILD	82,086	(82,086)	-
WYCA Bike Shed	5,000	(5,000)	-
Add Fuel	27,279	(27,279)	-
Art Hostel Commissions	13,992	(2,978)	11,014
Art Hostel Refurbishment	138,443	(35,243)	103,200
WYCA	9,688	(9,688)	-
Garfield Weston	143,507	(143,507)	-
Haribo Happiness	574	(574)	-
DCMS - CRF Grant Round One	91,950	(91,950)	-
	<u>2,542,379</u>	<u>(535,325)</u>	<u>2,007,054</u>
TOTAL FUNDS	<u>3,924,450</u>	<u>(1,170,383)</u>	<u>2,754,067</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

21. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,382,390	(3,017,448)	(635,058)
Restricted funds			
Capital Project	-	(73,256)	(73,256)
Barkston Ceramics	-	(2,090)	(2,090)
MARYS Capital Project	-	(29,594)	(29,594)
Programme CLLD	-	(5,069)	(5,069)
ACE Convention House	-	(28,811)	(28,811)
Leeds CC Convention House	1,800	-	1,800
Programme GUILD	180,828	(262,914)	(82,086)
WYCA Bike Shed	-	(5,000)	(5,000)
Add Fuel	-	(27,279)	(27,279)
Art Hostel Commissions	-	(2,978)	(2,978)
Art Hostel Refurbishment	-	(35,243)	(35,243)
WYCA	-	(9,688)	(9,688)
Garfield Weston	262	(143,769)	(143,507)
Haribo Happiness	5,000	(5,574)	(574)
DCMS - CRF Grant Round One	-	(91,950)	(91,950)
Arts Council Creative Workspace	22,500	(22,500)	-
Leeds CC - Arts @ Leeds	12,050	(12,050)	-
A City Less Grey	50,000	(50,000)	-
Leeds Creative Labs Artist	6,250	(6,250)	-
Carnival Mural Project	2,000	(2,000)	-
Neighbourhood Plan	5,000	(5,000)	-
The Netherlands Creative Exchange Project	9,600	(9,600)	-
Bradford MDC	56,819	(56,819)	-
	<u>352,109</u>	<u>(887,434)</u>	<u>(535,325)</u>
TOTAL FUNDS	<u>2,734,499</u>	<u>(3,904,882)</u>	<u>(1,170,383)</u>

22. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £16,395 (2023: £16,767).

At 31 March 2024, there were balances (including employee and employer contributions) of £5,549 (2023: £3,527) outstanding.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

23. RELATED PARTY TRANSACTIONS

Trustees received amounts in the year as detailed in Note 12.

No further related party transactions took place that are required to be disclosed.

24. DESIGNATED FUNDS

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2023	Incoming resources	Resources expended	Balance at 31 March 2024
Programme Development, Asset Maintenance & Development	50,000	-	-	50,000
Historic England Cultural Project	50,705	-	-	50,705
	162,435	-	-	100,705

The purposes of the designated funds with balances in the year are as follows:

Historic England - Cultural Project

To cover the costs of a new Briggate three year project.