

REGISTERED COMPANY NUMBER: 03598612 (England and Wales)
REGISTERED CHARITY NUMBER: 1077401

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2025
for
East Street Arts

Contents of the Financial Statements
for the Year Ended 31 March 2025

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TRUSTEES

C W Arnold
R A Barradas Simoes
J M Brady
R A J S Gillam
L K Iredale
K B O'Hare
M Parikh
C Price
N M Ramshaw
S S Sambhi
M Wilson

REGISTERED OFFICE

Patrick Studios
St Marys Lane
Leeds
West Yorkshire
LS9 7EH

**REGISTERED COMPANY
NUMBER**

03598612 (England and Wales)

**REGISTERED CHARITY
NUMBER**

1077401

AUDITORS

S&W Audit
Statutory Auditor
Chartered Accountants
3rd Floor
56 Wellington Street
Leeds
West Yorkshire
LS1 2EE

SOLICITORS

Blacks Solicitors LLP
City Point
29 King Street
Leeds
LS1 2HL

BANKERS

Unity Trust Bank
Four Brindleyplace
Birmingham
B1 2JB

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.

1. Overview

2024-2025 has been a year of consolidation, renewed organisational discipline, and strategic repositioning for East Street Arts (ESA). The organisation has worked with determination to strengthen its financial systems, clarify its operating model, and reaffirm its commitment to supporting artists, communities, and the cultural infrastructure of Leeds and the wider UK.

Despite a challenging external environment - characterised by rising operational costs, pressured funding streams, and an increasingly competitive sector - ESA has continued to deliver meaningful artistic opportunities, maintain a significant national portfolio of creative workspaces, and advance its role as a key advocate for sustainable artist-led infrastructure.

The organisation ends the year more stable, more focused, and better prepared for long-term resilience.

OBJECTIVES AND ACTIVITIES

2. Charitable Purpose and Public Benefit

ESA exists to create the conditions for artists to develop their practice, build sustainable careers, and contribute to the cultural and civic life of their communities. This purpose is delivered through:

- affordable studio provision
- artist development and skills support
- national temporary space activation
- international residency partnerships
- community and public engagement programmes
- sector advocacy and research

The Trustees confirm that all activities undertaken in 2024-25 have directly contributed to the organisation's charitable objectives and have delivered clear public benefit through:

- increasing the availability of creative workspace
- supporting professional development for artists at all career stages
- delivering events, exhibitions and learning activity for the public
- strengthening the cultural vitality of neighbourhoods and high streets
- enabling international cultural exchange

OBJECTIVES AND ACTIVITIES

3. Organisational Structure and Governance

This year saw targeted adjustments to ESA's staffing and governance structures to ensure that the organisation remains financially sustainable and fit for the future.

Key developments included:

- completion of a streamlined staffing structure to better align resources with core activity
- introduction of new specialist roles to consolidate work around residencies, creative spaces, advocacy and public engagement
- review and updating of all HR policies, including new guidance on AI, neurodiversity and anti-discrimination
- stabilisation of financial management systems in partnership with People Share
- restoration of annual reporting cycles with Unity Trust Bank, reflecting improved organisational confidence

Trustees have remained closely involved in financial oversight, organisational risk management and strategic direction, providing essential governance continuity throughout the year.

OBJECTIVES AND ACTIVITIES

4. Operational and Strategic Progress

4.1 Artist Support and Development

ESA delivered a broad range of artist-focused activity throughout the year, including:

- **international residencies** with partners in Helsinki and Taipei
- **local development residencies** supporting emerging and graduate artists
- **technical support** for more than 30 artists, including 3D printing, laser cutting, digital fabrication, and installation advice
- **one-to-one support and signposting** for artists establishing or developing their practice
- **Riso printing access and training**, leading to expanded user engagement

ESA's residency programme matured considerably, moving toward a clearer annual structure and more coherent public-facing offer. Partnerships with universities, international studios and sector bodies strengthened the organisation's profile and broadened the opportunities available to artists working with ESA.

4.2 Community Engagement and Public Cultural Activity

ESA delivered a steady programme of public-facing events, creative workshops, screenings, talks and exhibitions across Patrick Studios, Convention House and partner venues.

Highlights included:

- open events supporting artists to share new work
- workshops and collaborative sessions with Leeds Arts University and Northern School of Contemporary Dance
- film screenings and public discussions linked to residency projects
- a year-end "Get Together" strengthening relationships across studio holders, neighbours and partner artists

These activities reinforced ESA's position as a cultural anchor in Leeds, contributing to local identity, creative learning and neighbourhood cohesion.

4.3 Creative Workspace and National Advocacy

ESA continued its national leadership role in supporting the development of affordable artist workspace. This included:

- maintaining and expanding a significant portfolio of temporary spaces across the UK
- exploring new partnerships with landlords, local authorities and rates specialists
- strengthening internal systems for managing and tracking workspace provision
- contributing evidence and insight to discussions with Arts Council England, Creative Visual Arts Network and regional authorities

ESA's innovative use of space - including trials of rates-linked relief mechanisms and partnership-led occupation models - continues to demonstrate the organisation's practical leadership in a rapidly shifting property landscape.

4.4 Permanent Sites: Patrick Studios, Convention House and the Art Hostel

ESA invested in improvements across its permanent buildings, including:

- upgrades to heating systems and internet infrastructure at Patrick Studios, Convention House and the Art Hostel
- expanded signage and wayfinding projects
- increased visibility of activity through printed what's-on materials
- strengthened building-wide systems for IT, access control and maintenance

OBJECTIVES AND ACTIVITIES

The Art Hostel continued to play a distinctive role in ESA's mission by hosting artists, musicians, visiting practitioners and international volunteers. Strong volunteer participation and consistently positive guest feedback reflected the hostel's cultural and social value.

A strategic review of the hostel's operating model is underway to strengthen long-term viability and increase its contribution to ESA's wider programmes.

5. Financial Review

The year presented significant operational and financial pressures, requiring clear action to stabilise the organisation's financial position.

Major achievements included:

- rebuilding of the finance function following staff turnover
- reinstatement of strong management accounting and cashflow monitoring
- correction of historic utility billing errors, resulting in the recovery of more than **£18,000**
- consolidation of energy contracts to reduce risk and improve cost control
- significant improvements in debt recovery, particularly relating to temporary spaces
- transition to more efficient payment and banking systems
- completion of the annual audit with strengthened preparation planning for future years

While the funding landscape remained highly competitive, ESA continues to pursue new fundraising opportunities and diversify income to support programme growth.

The Trustees are satisfied that ESA remains a going concern and that the steps taken this year have materially strengthened the organisation's future financial resilience.

6. Future Plans and Strategic Priorities

ESA enters 2025-2026 with greater clarity and a stronger platform for growth. Strategic priorities include:

Strengthening Financial Sustainability

- developing a diversified fundraising strategy
- stabilising earned income across all sites
- strengthening the business model for the Art Hostel
- ensuring permanent and temporary spaces operate with clear financial oversight

Expanding Artistic and Public Programmes

- delivering a structured annual residency programme
- increasing opportunities for public engagement and cultural participation
- deepening international partnerships and exchange activity

Enhancing Organisational Systems and Capacity

- embedding CRM and improved booking systems
- improving audience development and stakeholder communications
- recruiting key roles to support programme coordination and advocacy

Advocacy for Artist-Led Spaces

ESA will continue to champion the social and economic value of artist-led space nationally, contributing data, case studies and policy insight to partners across local government, the cultural sector and urban development.

OBJECTIVES AND ACTIVITIES

7. Statement of Directors' Responsibilities

The Directors acknowledge their responsibility for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards. They confirm that they have acted in accordance with their duties as charity trustees and company directors throughout the year.

8. Conclusion

2024-2025 has been a demanding year for East Street Arts, but also one of decisive progress. Through strengthened systems, clearer strategic priorities and sustained commitment to artists and communities, the organisation has emerged more resilient, more focused and ready for renewed growth.

ESA remains a vital contributor to the cultural life of Leeds and the UK - supporting artists, enabling public access to creativity, and shaping the future of artist-led spaces nationally.

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. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 Charities 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.

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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, S&W Audit, 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 19 December 2025 and signed on the board's behalf by:

Nick Ramshaw

[Nick Ramshaw \(Dec 22, 2025 11:15:21 GMT\)](#)

N M Ramshaw - Trustee

Opinion

We have audited the financial statements of East Street Arts (the 'charitable company') for the year ended 31 March 2025 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 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

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

We obtained a general understanding of the Company's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Company's industry and regulation.

We understand that the Company complies with the framework through:

- Outsourcing accounts preparation and tax compliance to external experts.
- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.
- The Directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Company's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Company:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements.
- UK Taxation Law
- Specific industry standards

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Made enquiries of management regarding compliance with laws and regulations and any known non-compliance in the year
- Reviewed legal expense accounts
- Obtaining written management representations regarding the adequacy of procedures in place.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements, especially revenue, via fraudulent manual journal entries.
- Incorrect recognition of revenue

The procedures we carried out to gain evidence in the above areas included:

- Testing of manual journal entries, selected based on specific risk assessments applied based on the client processes and controls surrounding manual journals; and
- Testing a sample of revenue transactions to underlying documentation, including ensuring revenue is recognised in the correct period and has occurred

Overall, the senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities.

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.

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

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.

Matthew Barton

[Matthew Barton \(Dec 23, 2025 13:44:08 GMT\)](#)

Matthew Barton (Hons) FCA CTA (Senior Statutory Auditor)
for and on behalf of S&W Audit
Statutory Auditor
Chartered Accountants
3rd Floor
56 Wellington Street
Leeds
West Yorkshire
LS1 2EE

23/12/2025
Date:

Statement of Financial Activities
for the Year Ended 31 March 2025

	Notes	Unrestricted fund £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	387,522	-	387,522	354,799
Charitable activities	6				
Core		211,147	-	211,147	284,722
National grants		246,749	-	246,749	143,666
Rent of studio space		131,540	-	131,540	117,693
Temporary spaces		326,993	-	326,993	332,266
Regional grants		-	-	-	66,519
Other trading activities	4	26,164	-	26,164	80,547
Investment income	5	7,678	-	7,678	10,970
Total		<u>1,337,793</u>	<u>-</u>	<u>1,337,793</u>	<u>1,391,182</u>
EXPENDITURE ON					
Charitable activities	7				
Core		-	-	-	387,683
Temporary spaces		-	-	-	337,708
Studio spaces		-	-	-	149,942
Other projects		1,100,666	54,786	1,155,452	563,686
Art hostel		-	-	-	345,879
Total		<u>1,100,666</u>	<u>54,786</u>	<u>1,155,452</u>	<u>1,784,898</u>
NET INCOME/(EXPENDITURE)		237,127	(54,786)	182,341	(393,716)
RECONCILIATION OF FUNDS					
Total funds brought forward		747,013	2,007,054	2,754,067	3,147,783
TOTAL FUNDS CARRIED FORWARD		<u>984,140</u>	<u>1,952,268</u>	<u>2,936,408</u>	<u>2,754,067</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.

Balance Sheet
31 March 2025

	Notes	Unrestricted fund £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible assets	14	944,042	1,952,268	2,896,310	2,988,193
CURRENT ASSETS					
Debtors	15	331,888	-	331,888	181,198
Cash at bank		461,979	-	461,979	396,942
		<u>793,867</u>	<u>-</u>	<u>793,867</u>	<u>578,140</u>
CREDITORS					
Amounts falling due within one year	16	(97,944)	-	(97,944)	(132,899)
		<u>695,923</u>	<u>-</u>	<u>695,923</u>	<u>445,241</u>
NET CURRENT ASSETS					
		<u>695,923</u>	<u>-</u>	<u>695,923</u>	<u>445,241</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,639,965</u>	<u>1,952,268</u>	<u>3,592,233</u>	<u>3,433,434</u>
CREDITORS					
Amounts falling due after more than one year	17	(655,825)	-	(655,825)	(679,367)
		<u>984,140</u>	<u>1,952,268</u>	<u>2,936,408</u>	<u>2,754,067</u>
NET ASSETS					
		<u>984,140</u>	<u>1,952,268</u>	<u>2,936,408</u>	<u>2,754,067</u>
FUNDS	19				
Unrestricted funds				984,140	747,013
Restricted funds				<u>1,952,268</u>	<u>2,007,054</u>
TOTAL FUNDS				<u>2,936,408</u>	<u>2,754,067</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 19 December 2025 and were signed on its behalf by:

Nick Ramshaw

[Nick Ramshaw \(Dec 22, 2025 11:15:21 GMT\)](#)

N M Ramshaw - Trustee

East Street ArtsCash Flow Statement
for the Year Ended 31 March 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	149,537	(258,690)
Interest paid		(57,198)	(60,974)
Net cash provided by/(used in) operating activities		<u>92,339</u>	<u>(319,664)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(10,880)	(3,763)
Sale of fixed asset investments		-	413
Interest received		7,678	10,970
Net cash (used in)/provided by investing activities		<u>(3,202)</u>	<u>7,620</u>
Cash flows from financing activities			
Loan repayments in year		(24,100)	(16,093)
Net cash used in financing activities		<u>(24,100)</u>	<u>(16,093)</u>
Change in cash and cash equivalents in the reporting period		<u>65,037</u>	<u>(328,137)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>396,942</u>	<u>725,079</u>
Cash and cash equivalents at the end of the reporting period		<u><u>461,979</u></u>	<u><u>396,942</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 March 2025

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	182,341	(393,716)
Adjustments for:		
Depreciation charges	102,763	107,616
Interest received	(7,678)	(10,970)
Interest paid	57,198	60,974
Adjustments	-	1
(Increase)/decrease in debtors	(150,690)	30,410
Decrease in creditors	(34,397)	(53,005)
Net cash provided by/(used in) operations	<u>149,537</u>	<u>(258,690)</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/24 £	Cash flow £	At 31/3/25 £
Net cash			
Cash at bank	396,942	65,037	461,979
	<u>396,942</u>	<u>65,037</u>	<u>461,979</u>
Debt			
Debts falling due within 1 year	(26,812)	558	(26,254)
Debts falling due after 1 year	(679,367)	23,542	(655,825)
	<u>(706,179)</u>	<u>24,100</u>	<u>(682,079)</u>
Total	<u>(309,237)</u>	<u>89,137</u>	<u>(220,100)</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

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

	2025 £	2024 £
Donations	1,045	1,576
Gift aid	-	50
Grants	386,477	353,173
	<u>387,522</u>	<u>354,799</u>

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

	2025 £	2024 £
Leeds City Council - Arts@Leeds Grant	45,354	12,050
Art Council England - NPO Grant	341,123	341,123
	<u>386,477</u>	<u>353,173</u>

4. OTHER TRADING ACTIVITIES

	2025 £	2024 £
Other income	<u>26,164</u>	<u>80,547</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

5. INVESTMENT INCOME

	2025 £	2024 £
Deposit account interest	7,678	10,970

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2025 £	2024 £
Income from charitable activities	Core	211,147	284,722
Grants	National grants	246,749	143,666
Rent of studio space	Rent of studio space	131,540	117,693
Donations and recharges from temporary space programme	Temporary spaces	326,993	332,266
Grants	Regional grants	-	66,519
		916,429	944,866

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

	2025 £	2024 £
Grants	246,749	210,185

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Other projects	1,095,171	60,281	1,155,452

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2025 £	2024 £
Staff costs	439,308	605,796
Project expenses	103,323	149,972
Direct costs	291,783	261,363
Other staffing costs	2,817	68,866
Programme costs	9,074	94,360
Bad and doubtful debts	8,051	6,534
Irrecoverable VAT	-	15,934
Premises costs	192,673	220,842
Artists fees	5,142	50,262
Depreciation	(11,738)	107,616
Interest payable and similar charges	54,738	57,302
	1,095,171	1,638,847

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

9. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Other projects	40,970	19,311	60,281

10. NET INCOME/(EXPENDITURE)

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

	2025 £	2024 £
Audit and accountancy	12,158	7,000
Depreciation - owned assets	102,763	107,616

11. TRUSTEES' REMUNERATION AND BENEFITS

Trustees' expenses

Minoti Parikh received £Nil (2024: £24,450) 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.

12. STAFF COSTS

	2025 £	2024 £
Wages and salaries	399,859	542,698
Social security costs	28,690	46,703
Other pension costs	10,759	16,395
	439,308	605,796

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

	2025	2024
Employees	14	22

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

During the year the total remuneration paid to key management personnel was £110,000 (2024: £110,260)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	342,749	12,050	354,799
Charitable activities			
Core	284,722	-	284,722
National grants	111,566	32,100	143,666
Rent of studio space	117,693	-	117,693
Temporary spaces	332,266	-	332,266
Regional grants	9,700	56,819	66,519
Other trading activities	17,297	63,250	80,547
Investment income	10,970	-	10,970
Total	1,226,963	164,219	1,391,182
EXPENDITURE ON			
Charitable activities			
Core	374,825	12,858	387,683
Temporary spaces	337,708	-	337,708
Studio spaces	149,942	-	149,942
Other projects	355,324	208,362	563,686
Art hostel	311,600	34,279	345,879
Total	1,529,399	255,499	1,784,898
NET INCOME/(EXPENDITURE)	(302,436)	(91,280)	(393,716)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,049,449	2,098,334	3,147,783
TOTAL FUNDS CARRIED FORWARD	747,013	2,007,054	2,754,067

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

14. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £
COST			
At 1 April 2024	3,398,129	71,603	201,674
Additions	-	-	10,880
At 31 March 2025	3,398,129	71,603	212,554
DEPRECIATION			
At 1 April 2024	564,375	21,310	97,665
Charge for year	69,939	10,229	22,458
At 31 March 2025	634,314	31,539	120,123
NET BOOK VALUE			
At 31 March 2025	2,763,815	40,064	92,431
At 31 March 2024	2,833,754	50,293	104,009
	Tenants improvements £	Computer equipment £	Totals £
COST			
At 1 April 2024	128,751	76,016	3,876,173
Additions	-	-	10,880
At 31 March 2025	128,751	76,016	3,887,053
DEPRECIATION			
At 1 April 2024	128,752	75,878	887,980
Charge for year	(1)	138	102,763
At 31 March 2025	128,751	76,016	990,743
NET BOOK VALUE			
At 31 March 2025	-	-	2,896,310
At 31 March 2024	(1)	138	2,988,193

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 £1,069,148 (2024: £1,097,828) 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 £489,184 (2024: £500,451) at the year end.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade debtors	74,912	66,507
Other debtors	244,771	104,676
Prepayments and accrued income	12,205	10,015
	<u>331,888</u>	<u>181,198</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Bank loans and overdrafts (see note 18)	26,254	26,812
Trade creditors	13,463	26,674
Social security and other taxes	6,248	10,446
Other creditors	12,216	20,608
Accruals and deferred income	39,763	48,359
	<u>97,944</u>	<u>132,899</u>

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

	2025 £	2024 £
Bank loans (see note 18)	<u>655,825</u>	<u>679,367</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2025 £	2024 £
Amounts falling due within one year on demand:		
Bank loans	<u>26,254</u>	<u>26,812</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments:		
Bank loans more 5 yrs non-inst	<u>655,825</u>	<u>679,367</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 2025

19. MOVEMENT IN FUNDS

	At 1/4/24 £	Net movement in funds £	At 31/3/25 £
Unrestricted funds			
General fund	747,013	237,127	984,140
Restricted funds			
Capital Project	1,087,401	(32,816)	1,054,585
Barkston Ceramics	4,110	-	4,110
MARYS Capital Project	426,296	(7,047)	419,249
ACE Convention House	290,698	(4,694)	286,004
Leeds CC Convention House	84,335	-	84,335
Art Hostel Commissions	11,014	-	11,014
Art Hostel Refurbishment	103,200	(10,229)	92,971
	<u>2,007,054</u>	<u>(54,786)</u>	<u>1,952,268</u>
TOTAL FUNDS	<u><u>2,754,067</u></u>	<u><u>182,341</u></u>	<u><u>2,936,408</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,337,793	(1,100,666)	237,127
Restricted funds			
Capital Project	-	(32,816)	(32,816)
MARYS Capital Project	-	(7,047)	(7,047)
ACE Convention House	-	(4,694)	(4,694)
Art Hostel Refurbishment	-	(10,229)	(10,229)
	<u>-</u>	<u>(54,786)</u>	<u>(54,786)</u>
TOTAL FUNDS	<u><u>1,337,793</u></u>	<u><u>(1,155,452)</u></u>	<u><u>182,341</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

19. MOVEMENT IN FUNDS - continued**Comparatives for 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)	-
	2,098,334	(91,280)	2,007,054
TOTAL FUNDS	3,147,783	(393,716)	2,754,067

Comparative 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)	-
	164,219	(255,499)	(91,280)
TOTAL FUNDS	1,391,182	(1,784,898)	(393,716)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

19. MOVEMENT IN FUNDS - continued

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

	At 1/4/23 £	Net movement in funds £	At 31/3/25 £
Unrestricted funds			
General fund	1,049,449	(65,309)	984,140
Restricted funds			
Capital Project	1,120,981	(66,396)	1,054,585
Barkston Ceramics	4,110	-	4,110
MARYS Capital Project	433,301	(14,052)	419,249
ACE Convention House	299,579	(13,575)	286,004
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	(22,466)	92,971
Garfield Weston	615	(615)	-
Haribo Happiness	5,000	(5,000)	-
	2,098,334	(146,066)	1,952,268
TOTAL FUNDS	3,147,783	(211,375)	2,936,408

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	2,564,756	(2,630,065)	(65,309)
Restricted funds			
Capital Project	-	(66,396)	(66,396)
MARYS Capital Project	-	(14,052)	(14,052)
ACE Convention House	-	(13,575)	(13,575)
Add Fuel	-	(23,962)	(23,962)
Art Hostel Refurbishment	-	(22,466)	(22,466)
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)	-
	164,219	(310,285)	(146,066)
TOTAL FUNDS	2,728,975	(2,940,350)	(211,375)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

20. 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 £10,759 (2024: £16,395).

At 31 March 2025, there were balances (including employee and employer contributions) of £3,591(2024: £5,549) outstanding.

21. 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.

22. 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 2024	Incoming resources	Resources expended	Balance at 31 March 2025
Programme Development, Asset				
Maintenance & Development	50,000	-	-	50,000
Historic England Cultural Project	50,705	-	-	50,705
	100,705	-	-	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.