

**SPACE2 LEEDS**  
**(A company limited by guarantee)**

**REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**Year ended: 31 March 2021**

**Charity no: 1105268**  
**Company no: 4930452**

**Trustees' Report**  
**31 March 2021**

The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ending 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

## **OUR PURPOSES AND ACTIVITIES**

### **Purposes and Aims**

The company's objects and principal activities are to:

- i. Promote and advance education by the encouragement of the arts.
- ii. Provide leisure and recreational facilities for the benefit of the public in the interests of social welfare with the object of improving their conditions of life.

### **How our Activities deliver Public Benefit**

In shaping our objectives for the year and planning our activities we have considered the Charity Commission's guidance on public benefit, including the guidance "public benefit: running a charity (PB2)" at our trustees' meetings. We target disadvantaged communities and vulnerable people and their families to enable them to better participate in activities and access services they would not normally be able to with a view to raising confidence, skills and resilience, improving health outcomes and developing stronger communities.

## **ACHIEVEMENTS AND PERFORMANCE**

In a year like no other, Space2 has demonstrated its resilience; adaptability and commitment to working with its communities and partners, whilst maintaining arts and creativity at the heart of its provision.

Despite the rapid pace of change and unpredictability of the funding environment over the last year Space2 Trustees are able to report a financially stable year with a surplus £6,544 on unrestricted funds. This enabled the organisation to respond to the challenges presented by Covid-19 with our communities, many of which were already present, but have been spotlighted and exacerbated by the pandemic.

Although, significantly delayed by the pandemic, we were able to refurbish our office and Old Workshop space to bring greater accessibility to the building and on-line and better functionality through a new automated front door, tailored furniture and resources. In particular, the Old Workshop has been sound proofed and technical kit installed that will make blended delivery – hosting groups with participants on-site and on-line – much easier and more effective.

Thanks to Rank Foundation Time to Shine Leaders funding, we were able to recruit our first Marketing and Social Media intern, and we were particularly pleased to be able to appoint a local young person who had previously participated in a Space2 project in primary school. This role has proved vital in communicating with communities during the year, offering positive support; signposting; easy access to Government and local Public Health advice and resources and promoting Space2's activities.

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**Pandemic Response**

Financial support secured through a range of Emergency Funding from Arts Council, HLF and Community Fund Covid-19 Response plus Rank Resilience Fund money and core funding from Henry Smith Foundation has enabled us to continue to support and connect with our communities, who are amongst some of those worst affected by Covid-19. Additionally, Public Health Directorate in Leeds adapted the provision of the Orion (Space2 is a founding member of this consortium) Public Health Community Development contract to ensure ongoing support of participants through regular phone calls and on-line group delivery. Crucially it also appointed Orion to lead roll out of the Leeds Cares Volunteer scheme in Chapel Allerton ward, set up as an emergency response by the local authority to deliver food and medication and offer wellbeing calls and support.

As part of a fledgling partnership with other tenants at The Old Fire Station, we led the submission of a successful Community Fund C19 Response bid to develop a food centre; deliver medication; food and offer support and wellbeing calls, keeping the building open seeking to offer hope and resilience to and with our communities.

Through partnership working we have matched 1,645 recipients with 142 volunteers over the past year.

**Arts and Health**

Throughout the year Space2 has recognised the vital role that arts and creative activity and connection has played in maintaining mental health and emotional wellbeing for many in our communities. So, not only did we bring our creative, problem-solving approach to the development of emergency response services locally, we also ensured that creative participation was still available for local people. We worked with seven freelance artists to co-curate arts and wellbeing packs themed around poetry, visual arts, textiles and handmade postcards with and for local people and children. Almost 4,000 arts and wellbeing packs have been delivered to residents' homes during the pandemic.

Throughout the year, Space2 has sought to support the mental health and emotional wellbeing of its communities; staff, volunteers and freelance artists. We have worked with a trained counsellor and poet to provide regular resilience training for staff and all delivery has this as a focus. It was fitting, therefore, that Space2 working with spoken word poet Michelle Scally-Clarke featured highly in this year's Mindful Employer Conference, hosted on-line by Leeds Mind in March 2021.

As an Orion partner, Space2 were part of a pioneering initiative to encourage local businesses to support the mental health of men, by starting conversations, distributing useful resources and signposting to mental health support or local activities. As a result, Manbassadors was born and a number of local businesses from fish and chip shops to barbers have been involved. During lockdown the Partnership produced a series of Zines which were distributed with food parcels; medicine drop offs and shops' on-line sales deliveries. The magazines covered vital information regarding local support during the pandemic to activities, tips on supporting mental health and light-hearted articles of local interest. The finale of the project saw writer Peter Spafford create a collection of Poem Portraits highlighting the business owners who have supported the initiative. During March 2021 the Portraits were exhibited on lampposts across East Leeds.

**Participatory Arts**

Some of the arts and wellbeing packs encouraged people to create their own postcard and included art materials, blank postcards and stamps along with a specially designed instruction sheet created by Leeds-based artist Tony Stephenson who runs Space2's Heart2Art group. Recipients were invited to design a postcard to send to friends, family members and other members of their group, or to send to Space2. The postcards received are included in a state of the art 3D virtual gallery exhibition on our website, created in partnership with One to One Development Trust.

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The gallery includes postcards; and textiles co-created with artist Carine Brosse; poetry written by Clear Out Your Closet Collective and songs by Space2's Old Fire Station Children's Choir. The Company were in the midst of co-creating a multi-disciplinary show with community members and artists themed on climate justice to perform at Leeds Playhouse. This was, of course cancelled. However, contributions of words from around the community had already been made via a rainbow post box stationed at various community venues earlier in the year, so composer Boff Whalley used them to create a Green Anthem for East Leeds – Colour Our City Green, performed by the children's choir, Commoners Choir and community members. Other activity included poetry with Michelle Scally Clarke and Phoenix Youth Academy talking with Chapel FM.

**Arts and Community**

We have been running a number of groups on-line including Men's Groups; Tea and Chat and Community Yoga connecting local people and reducing isolation. However, we are mindful of the digital divide, estimating that around 25% of our community members do not have on-line access at home. With support from 100% Digital Leeds and funding from a range of funders we have been able to loan residents digital kit that enables them to join groups and connect with family members.

As the digital divide was brought into sharp focus by lockdowns, we started to work with University of Leeds on their UNEqual – Social Justice through Digital Economy research collaborations. Space2 is one of 4 community partners from across the world to be involved. The aim of the project is to critically evaluate existing digital technology infrastructure and its potentials for facilitating our work and the other community partners, working with vulnerable groups on issues of inequality and social change, in the hope that such an understanding will help us better think through and build for, equality that is now by necessity: digital.

Other projects have developed, despite the challenging circumstances, through a spirit of generous leadership; pulling together and a commitment to staying connected with partners and communities. East Leeds Firefighters Heritage Group was supported to meet within Government guidelines during the year and have remained busy. They have purchased and curated a permanent display cabinet, to be housed in The Gipton Old Fire Station communal areas, telling the story of the building and firefighters through the group members own artefacts and photographs. The group have also seen their collections curated digitally on a new heritage page on Space2's website.

**Arts and Education**

Our longstanding Arts Champion partnership with Allerton CE Primary School and Leeds Beckett School of Design, which is now an embedded and assessed as part of the final year undergraduate BA (Hons) Design curriculum also flexed its creative muscle. A further project has been delivered and new partner, Balbir Singh Dance Company introduced into the mix. Taking a cross artform approach the children and final year Design students co-created a film and exhibition, for a city centre event, exploring language, culture and a shared vocabulary through dance. Over 26 different languages are spoken within the school community.

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## **FINANCIAL REVIEW**

### **Overview**

The Company has had a stable year in the face of some extraordinary challenges for fundraising, ending the year with a surplus of £6,544 on unrestricted funds. The company would like to thank the funders who responded quickly and recognised the importance of adapting funding streams to secure small organisations working in communities. Arts Council Emergency Funding; Big Lottery Covid-19 Response grant; Heritage Lottery Emergency Fund and Rank Resilience Fund all supported core running costs and some project delivery. This was in addition to a second of three-year core funding from Henry Smith Foundation. Limited use was made of the Government's Job Retention Scheme where project funding finished during the year and was not able to be replaced because of the diversion of funding streams to emergency support.

Space2 through its Orion consortium public health contract was able to shift delivery from a community development focus to pandemic response with partners. This included being appointed as a key partner in the roll out and delivery of Leeds Cares Volunteer scheme. Further public health funding has been secured to support people shielding during lockdown; vaccine information messaging and support for vulnerable people coming out of lockdown.

### **Principle Funding Sources**

Space2 receives grant funding to contribute towards staffing and operational costs as well as projects. A number of Trusts and Foundations contribute to running, development and activities costs. It has secured a number of small commissions and contracts through Leeds City Council and as part of the Orion consortium, has a final year funding of a five-year contract through the LCC Public Health Directorate Community Development Based Health Improvement contract (Better Together) for E and NE Leeds.

We continue to secure grants from a range of sources to continue delivery of our arts and social change programme, responding to the increased and changing needs of our communities as a result of the pandemic. We were also successful this year with a number of Emergency and Resilience Fund grants. These include Arts Council, Heritage Lottery Fund, Community Fund and Rank Foundation.

### **Investment Policy**

Aside from retaining a prudent amount in reserves each year most of the company's funds are to be spent in the short term so there are few funds for long term investment. Under the Memorandum and Articles of Association the company has the power to make any investment which the trustees see fit.

### **Reserves Policy and Going Concern**

The trustees have reviewed the company's needs for reserves in line with the guidance issued by the Charity Commission.

At 31 March 2021 there was an accumulated surplus on unrestricted general funds of £62,557. The company ultimately intends to hold unrestricted reserves approximating to 4 to 6 months running costs.

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

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## **PLANS FOR THE FUTURE**

Space2 has reviewed its 3-year Business Plan in light of the pandemic and its impact and will continue to work broadly towards the key objectives focused on searching out the silences in order to raise under-represented voices in the arts and the City; support the global movement for social justice in the face of climate change and embed arts at the heart of the Old Fire Station, the Gipton community and the identity of wider East Leeds. We believe that these still hold their relevance and will sit alongside our on-going commitment to co-produce activities and provision with our communities that support a period of recovery and healing. They also reflect the entrenched, new and exacerbated challenges, often rooted in inequality; poverty and opportunity gaps, made visible by the pandemic.

We will progress with the co-production of a Slow Arts Manifesto (delayed this year), articulated across artforms with co-creating artists, that recognises and accommodates the challenges of our local communities and the need for a different, slower pace in order to create meaningful change and authentically co-produced culture. Our participatory practice will continue to reflect these fundamental principles nurturing creativity in our communities and recognising that it is key to making change with our communities.

As we develop our local arts offer and distinctive practice in collaboration with local people and partners, we also seek to embed arts at the heart of the Fire Station. By offering regular arts projects on the doorstep our activity serves to enable and value the creative potential of diverse local people. It has been imperative that we have been able to support our communities when they needed it most and continue to place arts activity at the heart of the pandemic response and now the recovery. Through Cultural Recovery Fund money we are able to offer a range of arts activities from working with a poetry collective led by people with lived experience of mental health to work with freelance artist Michelle Scally Clarke; Threading Tales using craft and sewing techniques; Men's Craft and Heritage group with marginalised men using photography, written word and other visual arts to reflect their experiences and hopes. As we plan ahead we are using a blended approach to delivery that means we are able to deliver on-line, on-site or through a combination of both. Plus, we will continue to work with volunteers to develop community gardens and outdoor wellbeing spaces, that can also be used for performances and craft activities. We are also part of the Greening Gipton scheme.

As a foundation stone to a stronger recovery, Space2 has secured funding from Leeds Community Foundation Jimbo's Fund to deliver Space2Sustain, developing and using Neighbourhood Economic Development skills and principles amongst staff and residents. It is in response to local people wanting to further develop provision that they can run and will benefit other residents, building community capacity and trialling circular economies approaches, whilst providing affordable basic necessities for local people. Volunteers from Jumbles, the beginnings of an upcycling community shop; Gipton Growers, volunteers developing a productive garden at our base and East Leeds People's Pantry, a resident-led food and veg start-up will participate in on-line and hands-on training as part of the programme. As well as seeking to support the creation of new social enterprises long term in East Leeds, this approach also contributes to the organisation's financial sustainability.

We will focus our Children and Young People's work, supported by a 3-year grant from Mohn Westlake to support mental health, fully establishing our children's choir for 8-11 year olds and setting up a Young People's Art Club. This will offer taster blocks broadening arts experience of local young people to lay the foundations for a co-designed, sustainable youth arts programme at The Old Fire Station.

Partnerships remain central to our future plans and development of joint funding bids: We will be submitting a number of joint bids as part of a new place-based partnership – East Leeds Triangle – with East Leeds FM and East Leeds Project to explore the distinctive

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cultural heritages of east sides of cities and trial alternative economies with the people of East Leeds, that build on the creative skills of local people and resident artists. Through this collaboration of professional and community creatives we are building cultural communities placing arts at the heart of our community and the Old Fire Station, Gipton where we are based.

Meet Me At The Old Fire Station is a new Partnership with Zest and The Old Fire Station, planned pre-pandemic and given the opportunity to test the partnership through a joined up emergency response. It seeks to bring all The Old Fire Station tenants together to offer a seamless 'one front door' experience for local people looking for opportunities to connect, develop, learn and have fun. Space2 will host a Partnerships and Project Co-ordinator and Zest a Volunteer Co-ordinator to link the organisations' various provision in a unified offer under the single Meet Me At brand.

Partnership also underpins the development of our provision for and with local men, especially those lonely, socially isolated or marginalised and with long term health and mental health issues. Through Orion consortium we are part of a wider, citywide initiative to further develop the Manbassador programme, working with local business to open up conversations about mental health and support services with men; secure men's groups for E & NE Leeds and build on the Northern Man Festival, initiated in 2019 by Space2, as an annual event.

Over the coming year Space2 will lead Thriving Communities a strategic and delivery partnership to strengthen social prescribing in the City. This is funded by an Arts Council grant with the new National Academy for Social Prescribing to create place-based partnerships to improve and increase the range and reach of available social prescribing community activities – especially for those people most impacted by COVID-19 and health inequalities.

We remain committed to being part of the drive to bridge the digital divide and will continue to work with University of Leeds's UNEqual research collaboration. We have also secured funding through the Peter Sowerby Foundation to increase access to group meetings and arts activities through blended delivery, using on-line and on-site simultaneously to connect local people and co-create productions, exhibitions and events.

Programmes of activity proposed are a continuation and development of our established programme of co-produced arts with local people that inherently contribute to the Arts Council's new ten-year Let's Create Strategy, encouraging under-represented communities and those with low engagement of publicly funded art, but creative in their own homes, to grow as creative citizens, taking an equal and valued role in developing our distinctive participatory practice; telling stories least heard and recognising the wellbeing benefits of staying creative. It is our intention to apply for the next Arts Council England NPO round, now scheduled for spring 2022, following a year's postponement due to Covid-19.

This year Orion will be tendering for a new five year Better Together contract from April 2022. We believe the strong track record of delivery over the past four years and our quick, effective and creative adaptation to pandemic emergency response stands our bid in good stead.

Finally, we are looking to strengthen and increase representation at a governance level, with recruitment of new three new Trustees, emphasising community representation and knowledge. Additionally, we will embed a new sub-group/Committee structure to enable greater focus and monitoring of Children and Young People's work, Equality and Diversity and Sustainability and Climate Crisis response.

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**REFERENCE AND ADMINISTRATIVE INFORMATION**

<b>Charity Name:</b>	Space2 Leeds
<b>Charity Registration Number:</b>	1105268
<b>Company Registration Number:</b>	4930452
<b>Registered Office and Operational address:</b>	The Old Fire Station Gipton Approach Leeds LS9 6NL

**Trustees**

The trustees who have served during the year are:

Andrew Edwards	
Katie Jane Hill	
Paul Kaiserman	Chair
Richard Norton	
David Prosho	
Cllr Mohammed Shahzad	
Catherine Walker	
Jane Zanzottera	

**Secretary**

Dawn Fuller

**Senior Management Team)**

Emma Tregidden	Creative Director and Joint CEO
Dawn Fuller	Strategic Director and Joint CEO
Emma Goodway/ Paul Barker	Creative Programmes Manager
Sarah Tolkin	Business & Facilities Manager

**Independent Examiners**

O'Brien & Co, Chartered Accountants  
31A Finkle Street  
Selby  
YO8 4DT

**Bankers**

Virgin Money



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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The organisation is a charitable company limited by guarantee, incorporated on 13 October 2003 and registered as a charity on 3 August 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

**Recruitment and Appointment to the Board of Trustees**

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Articles of Association one – third of trustees retire by rotation annually.

Due to the priorities of the company's work, children, their families and community are a focus for activity. The company works specifically through the arts and takes a creative approach to its work with vulnerable individuals and disadvantaged communities. The board seeks to ensure that the needs of these groups are appropriately reflected through the diversity of board members. Board members have considerable skills and experience of working across a range of arts, youth, education, health and community settings. Other representation includes finance and management skills to ensure the most effective running of the company. The board regularly undertakes a skills audit and in the event of particular skills being lost or new skills being required, recruit through an approach to individual to offer themselves for election to the board.

**Trustees' Induction and Training**

Potential trustees are provided with an information pack detailing the legal and financial obligations of trustees and providing information regarding the ethos and activities of the company. Following appointment, the trustee receives an induction information pack and receives an introduction to the company given by the chair of the board of trustees and senior management team.

Additionally, all trustees are asked to attend events and activities on a regular basis to familiarise and update themselves with the company and the context within which it operates. Further training opportunities are offered through sessions run by other board members and voluntary sector support organisations.

**Organisational Structure**

Space2 has a Board of 8 trustees who meet quarterly and are responsible for the strategic direction and policy of the company. The trustees are from a variety of professional backgrounds with strong representation from education and community settings, relevant to the work and skills needs of the company.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the Creative and Strategic Directors. The Creative and Strategic Directors are responsible for ensuring that the company delivers the services specified and that key performance indicators are met. The Creative and Strategic Directors carry out individual supervision of the staff team and also ensure that the team continue to develop their skills and working practices in line with good practice.

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**Related Parties**

In so far as it is complimentary to the company's objects the company contributes to local children and young people's outcomes and Leeds Public Health broad health and wellbeing outcomes and other relevant local and national policies. The company is a provider of a range of arts and healthy living opportunities for both children and adults to improve health outcomes, social and educational attainment and facilitate community development. It contributes to local action plan targets for economic regeneration and quality of life of community residents as well as working strategically and in partnership with local organisations, particularly those that are arts and culture based and young people, health and community focussed. It is also a founding member of the Orion Consortium, set up to deliver positive health outcomes and redress health inequalities in East North East Leeds.

During the pandemic Space2 led a new Partnership Meet Me At The Old Fire Station with The Old Fire Station and its tenants to respond to emergency need. This Partnership will be developed further over the next three years with a Community Fund Partnerships grant.

**Pay policy for senior staff**

The board of trustees, who are the charitable company's trustees, and the senior management team comprise the key management personnel of the charitable charity in charge of directing and controlling, running and operating the company on a day to day basis. All directors give of their time freely and no director received remuneration or expenses in the year.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings of other organisations in the community sector of similar size run on a voluntary basis.

**Risk Management**

The Trustees have a risk management strategy that comprises:

- An annual review of the principal risks that the organisation face.
- A set of policies, procedures and systems to mitigate those risks identified in the annual review.
- Implementation of procedures designed to minimise and manage any potential impact should those risk materialise.

This work has identified that financial sustainability is a key risk in the increasingly challenging environment for small charities. An Action Plan has been put in place to monitor matters and rebuild reserves in lines with our Reserves Policy over a three-year period.

Monthly Finance Sub-Committee meetings monitor progress and seek to identify new income sources.

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The directors (who are directors for the purpose of Company Law and trustees for the purpose of Charity Law) are responsible for preparing the Director's Report and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the company for that period. In preparing these financial statements the directors 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 UK 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 assume that the charitable company will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and 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.

Approved by the board of trustees on 12 May 2021 and signed on its behalf by:

**PAUL KAISERMAN**  
Trustee

**STATEMENT OF FINANCIAL ACTIVITIES**  
(Including Income and expenditure account) for the year ended 31 March 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
<b>INCOME</b>					
Donations		0	0	0	397
Income from Charitable Activities	3	205,195	396,783	601,978	467,709
<b>Total Income</b>		<u>205,195</u>	<u>396,783</u>	<u>601,978</u>	<u>468,106</u>
<b>EXPENDITURE</b>					
Charitable Activities	4	198,651	335,913	534,564	479,092
<b>Total Expenditure</b>		<u>198,651</u>	<u>335,913</u>	<u>534,564</u>	<u>479,092</u>
Net income / (expenditure) for the year	6	6,544	60,870	67,414	(10,986)
<b>Transfers between Funds</b>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Movement In Funds</b>		6,544	60,870	67,414	(10,986)
<b>Reconciliation of Funds</b>					
<b>FUND BALANCES B/F</b>		<u>56,013</u>	<u>57,883</u>	<u>113,896</u>	<u>124,882</u>
<b>FUND BALANCES C/F</b>	13	<u>62,557</u>	<u>118,753</u>	<u>181,310</u>	<u>113,896</u>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 14 to 22 form part of these financial statements.

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**(A Company Limited by Guarantee)**

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**BALANCE SHEET**  
**31 March 2021**

		<b>2021</b>		<b>2020</b>	
	note	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	10		39,761		0
<b>CURRENT ASSETS</b>					
Debtors	11	72,992		28,913	
Cash at Bank & in Hand		83,363		106,872	
		<u>156,355</u>		<u>135,785</u>	
<b>LIABILITIES</b>					
Creditors falling due within one year	12	<u>14,806</u>		<u>21,889</u>	
<b>NET CURRENT ASSETS</b>			<u>141,549</u>		<u>113,896</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><b>181,310</b></u>		<u><b>113,896</b></u>
<b>FUNDS</b>	13				
Unrestricted Funds			62,557		56,013
Restricted Funds			<u>118,753</u>		<u>57,883</u>
			<u><b>181,310</b></u>		<u><b>113,896</b></u>

For the financial year ended 31 March 2021 the charitable company was entitled to exemption from audit under section 477 Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

The financial statements were approved by the Board of Directors on 12 May 2021 and signed on its behalf by:

**PAUL KAISERMAN**  
Trustee

**Company no: 4930452**

**STATEMENT OF CASH FLOW**  
**For the year ended 31 March 2021**

	Note	2021 £	2020 £
<b>Cash generated by operating activities</b>	16	20,259	60,758
<b>Cash flows from investing activities</b>			
Interest Income		0	0
Purchase of tangible fixed assets		<u>(43,768)</u>	<u>0</u>
<b>Cash used in investing activities</b>		(43,768)	0
<b>Cash flows from financing activities</b>			
Repayment of borrowings		<u>0</u>	<u>0</u>
<b>Cash used in financing activities</b>		<u>0</u>	<u>0</u>
<b>(Decrease) / Increase In cash and cash equivalents in the year</b>		(23,509)	60,758
<b>Cash and cash equivalents at the beginning of the year</b>		106,872	46,114
<b>Total cash and cash equivalents at the end of the year</b>		<u>83,363</u>	<u>106,872</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 March 2021**

**1 ACCOUNTING POLICIES**

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

**Basis of Preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Space2 Leeds meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Going Concern**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**Income Recognition Policies**

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and the amount can be measured reliably.

**Donated Services and Facilities**

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**Interest Receivable**

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
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**1 ACCOUNTING POLICIES (continued)**

**Fund Accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

**Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes direct project costs, staff costs and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**Allocation of Support Costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the company's activities. The bases on which support costs have been allocated are set out in note 5.

**Tangible Fixed Assets**

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

	Annual Rate
Equipment	25%

**Debtors**

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

**Cash at Bank and in Hand**

Cash at bank and cash in hand is in respect of bank balances.

**Creditors and Provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.



NOTES TO THE FINANCIAL STATEMENTS (continued)  
31 March 2021

1 ACCOUNTING POLICIES (continued)

**Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments.

**Pension Costs**

The company has a defined Contribution Pension Scheme. The pension costs charged to the Statement of Financial Activities are the premiums payable in respect of the accounting period.

**Significant Judgements and Estimates**

In applying its accounting policies the company did not have to make any significant judgements or estimates

2 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. At 31 March 2021 there were 8 members.

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
<b>GRANTS</b>				
Arts Council England STF	0	0	0	17,859
Arts Council England Capital	0	49,707	49,707	0
Arts Council England	0	34,766	34,766	29,978
Big Lottery Fund	0	104,545	104,545	63,531
Fairhurst Foundation	0	0	0	4,962
Henry Smith Foundation	0	32,500	32,500	40,000
Heritage Lottery Fund	0	43,100	43,100	14,871
Jimbo's Fund	0	19,931	19,931	0
Mohn Westlake Arts	0	10,000	10,000	0
Power of Communities	0	0	0	18,611
Rank Foundation	0	27,487	27,487	11,353
Tudor Trust	0	0	0	25,000
Coronavirus Job Retention Scheme	14,805	0	14,805	2,097
Other	81,185	74,747	155,932	85,216
Total Grants	95,990	396,783	492,773	313,478
<b>FEES</b>	109,205	0	109,205	154,231
	205,195	396,783	601,978	467,709

NOTES TO THE FINANCIAL STATEMENTS (continued)  
31 March 2021

4 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Arts & Community Projects	Total
	2021	2021
	£	£
Staffing	235,015	235,015
Office	26,665	26,665
Premises	26,284	26,284
IT Costs	5,252	5,252
Projects	199,478	199,478
Depreciation	4,007	4,007
Support Costs (see note 5)	33,378	33,378
Governance Costs (see note 5)	4,485	4,485
	<u>534,564</u>	<u>534,564</u>

The company undertakes one activity, that of arts and community projects.

5 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The company initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. The table below sets out the basis for apportionment and the analysis of support and governance costs.

	General Support	Governance Function	Total	Basis of Apportionment
	£	£	£	
Staffing	26,823	0	26,823	<i>actual costs</i>
Office	3,555	0	3,555	<i>pro rata</i>
Premises	3,000	0	3,000	<i>pro rata</i>
Independent Examination	0	4,485	4,485	<i>actual costs</i>
	<u>33,378</u>	<u>4,485</u>	<u>37,863</u>	

6 NET INCOME / (EXPENDITURE) FOR THE YEAR

is stated after charging

	2021	2020
	£	£
Depreciation	4,007	0
Independent Examiner	<u>4,485</u>	<u>4,300</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 March 2021**

**7 STAFF COSTS & NUMBERS**

Staff costs were:	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages & Salaries	239,038	209,530
Social Security Costs	14,385	13,826
Pension Costs	6,635	5,966
	<u>260,058</u>	<u>229,322</u>

No employees earned in excess of £60,000 p.a.

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Directors	8	7
Creative & Strategic Directors	2	2
Administration & Communications	2	2
Project Managers and Community Development Workers	10	8
	<u>22</u>	<u>19</u>

**Key Management Personnel**

The key management personnel comprise the trustees and the joint chief executive officers, the Creative Programmes Manager and the Business & Facilities Manager.

No remuneration was paid to any trustees (2020: £nil).

No expenses were reimbursed to trustees during the year (2020: £nil).

The total emoluments of the key management personnel (salaries, employer's NIC and pension costs) during the year was £125,921 (2020: £128,769)

**8 RELATED PARTY TRANSACTIONS**

No trustee or other person related to the charitable company had any personal interest in any contract or transaction entered into by the charitable company during the year (2020: £Nil).

**9 TAXATION**

As a charity Space2 Leeds is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charitable company.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
31 March 2021

10	TANGIBLE FIXED ASSETS	Equipment
	<b>COST</b>	<b>£</b>
	At 1 April 2020	1,027
	Additions	43,768
	Disposals	0
	At 31 March 2021	<u>44,795</u>
	<b>DEPRECIATION</b>	
	At 1 April 2020	1,027
	Charge for the year	4,007
	On disposals	0
	At 31 March 2021	<u>5,034</u>
	<b>NET BOOK VALUE</b>	
	At 31 March 2021	<u>39,761</u>
	At 31 March 2020	<u>0</u>

All fixed assets are used in direct furtherance of the company's objects.

At 31 March 2021 the company had made capital commitments of £5,900 (2020: £nil).

11	DEBTORS	2021 £	2020 £
	Trade Debtors	71,792	26,816
	Other Debtors	1,200	2,097
		<u>72,992</u>	<u>28,913</u>
12	<b>CREDITORS:</b> amounts falling due within one year:	2021 £	2020 £
	Trade Creditors	7,235	12,481
	Taxation and Social Security	7,571	9,408
		<u>14,806</u>	<u>21,889</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
31 March 2021

13	FUNDS	B/F 01.04.20	Incoming Resources	Resources Expended	C/F 31.03.21
	<b>Unrestricted Funds</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	General	56,013	205,195	198,651	62,557
	<b>Restricted Funds</b>				
	Arts Capital England Capital	0	49,707	4,007	45,700
	Arts Council England Emergency Fund	0	34,766	34,766	0
	Big Lottery Covid-19 Response	0	78,528	78,528	0
	Big Lottery Reaching Communities Fund	26,721	26,017	52,738	0
	Consolidation & Development	15,000	32,500	40,000	7,500
	Heritage Emergency Fund	0	43,100	43,100	0
	Jimbo's Fund	0	19,931	1,898	18,033
	Leeds City Council	0	74,747	37,227	37,520
	Leeds Inspired	6,241	0	6,241	0
	Mohn Westlake Arts	0	10,000	0	10,000
	Rank Foundation	6,167	27,487	33,654	0
	Tudor Trust	3,754	0	3,754	0
		57,883	396,783	335,913	118,753
	<b>TOTAL FUNDS</b>	<b>113,896</b>	<b>601,978</b>	<b>534,564</b>	<b>181,310</b>

**Purposes of Restricted Funds:**

**Arts Council England Capital**

To enable a bespoke refurbishment of the office areas and Old Workshop space including improving acoustics; storage; fully accessible front door and IT kit for blended on-line and on-site delivery of group activities and meetings.

**Arts Council England Emergency Fund**

To support the organisation to remain financially stable during the pandemic through contribution to core running costs and project activity to maintain arts engagement, connection and creative wellbeing activities with our local communities, amongst the worst hit by Covid-19.

**Big Lottery Covid-19 Response**

To support the organisation to remain financially stable during the pandemic through contribution core running costs and setting up a food centre in partnership with The Old Fire Station, Zest and other Old Fire Station tenants as part of the local emergency response for communities.

**Big Lottery Reaching Communities Fund**

To build on the Orion Partnership's highly successful men's work across East and NE Leeds, extending our offer to men currently attending a men's group and increasing our reach by engaging with more men in the area. Activity and groups are designed to address loneliness amongst local men.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
31 March 2021

13 FUNDS (continued)

***Purposes of Restricted Funds (continued):***

**Consolidation and Development Fund**

*Funded by donations from Henry Smith Foundation*

Contributions to core running costs to enable the Company to consolidate its financial position and create a regular programme of activity at its base and plan for a sustainable future.

**Heritage Emergency Fund**

To support the organisation to remain financially stable during the pandemic through contribution to core running costs; return safely to activities and support of community heritage projects including the East Leeds Firefighters Heritage group.

**Jimbo's Fund**

To set up Space2Sustain, co-designed with local volunteers with training and experiential learning about neighbourhood economic development and sustainable principles and alternative economies like co-operatives and social enterprises. Activities include upcycling and sewing workshops; clothing sales through Jumbles and East Leeds People's Pantry to provide food, cooking/growing classes and lunch.

**Leeds City Council**

A contribution to staffing costs and delivery of a number of pandemic community responses and community messaging about the vaccine programme; local support and government guidance.

**Leeds Inspired**

To co-create a community show around environmental themes including the creation of a Green Anthem for East Leeds. This project was adapted to work on-line and led to the writing of Colour My City Green sung by The Old Fire Station Children's Choir.

**Mohn Westlake Arts**

To establish a Children and Young People's arts programme for Gipton to complement existing provision, leading to a young people programming arts activity at The Old Workshop. It includes continuation of The Old Fire Station Children's Choir and setting up a Young People's Arts Club where young people can experience a range of art-forms, working with different professional artists.

**Rank Foundation**

To fund a Time to Shine Leadership intern focusing on developing the company's social media profile and implementing a new marketing strategy, supported by a range of developmental and training opportunities.

To support core running costs and sustainability of the organisations during the pandemic.

**Tudor Trust**

A grant secured on behalf of the Orion Consortium to develop a Men's Health and Wellbeing programme for Inner East and NE Leeds. The appointment of a Men's Insight Development Worker has enabled us to gather intelligence and best practice from across the country and develop new ways of working with isolated men in our own communities.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 March 2021**

**14 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted <b>2021</b> £	Restricted <b>2021</b> £	Total <b>2021</b> £
Fixed Assets	0	39,761	39,761
Current Assets	77,363	78,992	156,355
Creditors: due within one year	(14,806)	0	(14,806)
	<u>62,557</u>	<u>118,753</u>	<u>181,310</u>

**15 FUTURE FINANCIAL COMMITMENTS**

At 31 March 2021 the company has future operating lease commitments of £31,500 (2020: £52,500).

**16 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW GENERATED BY OPERATING ACTIVITIES**

	<b>2021</b> £	<b>2020</b> £
Net movement in funds	67,414	(10,986)
Add back depreciation charge	4,007	0
(Increase) / Decrease in debtors	(44,079)	67,318
(Decrease) / Increase in creditors	(7,083)	4,426
Net cash generated by operating activities	<u>20,259</u>	<u>60,758</u>

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SPACE2 LEEDS**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2021 which are set out on pages 11 to 22.

***Responsibilities and basis of report***

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

***Independent examiner's report***

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- 2) the accounts do not accord with those accounting records; or
- 3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- 4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

**S W O'BRIEN**  
**O'BRIEN & CO**  
**Chartered Accountants**  
**31a Finkle Street**  
**Selby**  
**YO8 4DT**

12 May 2021



**SPACE2 LEEDS**

(A Company Limited by Guarantee)

**DETAILED INCOME & EXPENDITURE ACCOUNT**

Year ended 31 March 2021

	Restricted Funds													Total	Unrestricted	Total	Total						
	ACE Capital	ACE Emergency Fund	Big Lottery Covid-19	Big Lottery Men	Consol & Developm't	Heritage Jimbo's Lottery Fund	Leeds City Council	Leeds Inspired Arts	Mohn Westlake Arts	Rank Foundation	Tudor Trust												
£	£	£	£	£	£	£	£	£	£	£	£	£	£	Y/E	Y/E	Y/E	Y/E	£	£	Y/E	Y/E	£	£
INCOME	49,707	34,766	78,528	26,017	32,500	43,100	19,931	74,747	0	10,000	27,487	0	0	396,783	190,390	587,173	467,709						
Grants & Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14,805	14,805	0					
Job Retention Scheme	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	397					
Donations																							
Total Income	49,707	34,766	78,528	26,017	32,500	43,100	19,931	74,747	0	10,000	27,487	0	0	396,783	205,195	601,978	468,106						
EXPENDITURE																							
Projects	0	13,540	28,381	42,680	0	17,247	369	24,320	4,851	0	610	782	0	132,780	66,698	199,478	169,356						
Staffing	0	8,526	41,867	7,068	26,000	17,503	1,035	10,481	1,390	0	18,044	2,972	0	134,886	126,952	261,838	232,853						
Office	0	7,700	4,789	2,990	8,000	4,000	0	2,426	0	0	3,750	0	0	33,655	1,050	34,705	40,645						
Premises	0	5,000	3,491	0	4,000	4,350	0	0	0	0	11,250	0	0	28,091	1,193	29,284	31,630						
IT Costs	0	0	0	0	2,000	0	494	0	0	0	0	0	0	2,494	2,758	5,252	4,608						
Depreciation	4,007	0	0	0	0	0	0	0	0	0	0	0	0	4,007	0	4,007	0						
Total Expenditure	4,007	34,766	78,528	52,738	40,000	43,100	1,898	37,227	6,241	0	33,654	3,754	0	335,913	198,651	534,564	479,092						
Net income / (expenditure)	45,700	0	0	(26,721)	(7,500)	0	18,033	37,520	(6,241)	10,000	(6,167)	(3,754)	0	60,870	6,544	67,414	(10,986)						
Balance B/F	0	0	0	26,721	15,000	0	0	0	6,241	0	6,167	3,754	0	57,883	56,013	113,896	124,882						
Balance C/F	45,700	0	0	0	7,500	0	18,033	37,520	0	10,000	0	0	0	118,753	62,557	181,310	113,896						