

SPACE2 LEEDS
(A company limited by guarantee)

REPORT AND UNAUDITED FINANCIAL STATEMENTS
Year ended: 31 March 2023

Charity no: 1105268
Company no: 4930452

Trustees' Report
31 March 2023

The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ending 31 March 2023 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 the Charities Statement of Recommended Practice ("Charities SORP") (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; FRS 102) issued in October 2019.

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

This year has seen Space2 return to full provision of arts and creative activities in our local community, the city and even globally against the landscape of a post pandemic world facing increasing cost of living and environmental crises, once again showing adaptability and resilience, cementing its position at the heart of the community.

Despite the ever changing funding landscape and Increased competition Space2 Trustees are able to report a financially stable year with a small surplus in unrestricted funds of £454.

We have been able to reach over 4,000 people through our activities and events, offering a diverse timetable of activities for people aged 8-80. Most excitingly we were able to return to Leeds Playhouse with our co-produced community showcase 'East Side Story,' bringing together 180 local performers, many of whom had never been on stage before, to tell the stories of East Leeds through song, dance, poetry and spoken word to a packed auditorium. Thanks to Rank Foundation and Time to Shine Leaders funding we were able to recruit a Curator of Archives to co-curate our 20th anniversary archive giving time for reflection on and celebration of the impact Space2 has had with its community and within the city over the last 20 years whilst co-creating an online and physical archive which can be used as a resource for years to come.

Arts and Health

Space2 are producing the Balbir Singh Dance Company Unmasking Pain project, with Durham University's Pain Academy; Leeds Beckett University's Centre for Pain Research; Live Well With Pain clinicians; Pain Physiotherapists UK and people living with persistent pain. The pilot project is now complete. A series of events, including exhibitions, lectures and

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performances were held to share insights from the Unmasking Pain project. Unmasking Pain won a Fuse Award for 'Innovative Communications Initiative' to encourage, celebrate and showcase high quality public health research with a strong focus on Communication, Public Involvement and Engagement and Translational Research.

In Partnership with Forum Central, BARCA, Touchstone and The Orion Consortium we have revived Big Lottery Funding to deliver a city-wide men's health and wellbeing project. Men's Health Unlocked (MHU) was formed in November 2020. It marks the next important step in Leeds growing reputation as a leading proponent of gendered responses to health inequalities. MHU is a network linking together the effective work supporting men's health and wellbeing in and around Leeds. In partnership with its members, it provides information and resources, identifies gaps in provision and develops collaborative solutions to meet these needs. An editor's group of men have co-produced content to create a regular magazine, 5,000 printed of each edition, to share citywide, promoting men's health and wellbeing, activities and services.

Participatory Arts

In July we performed our co-produced community showcase with over 180 local people performing to a sell-out audience at Leeds Playhouse. East Side Story - a response to climate crisis, spotlighting Wykebeck Valley Way as a wonderful green space to support wellbeing and connection to nature. We co-designed a programme of research with community residents to uncover and celebrate the hidden stories of East Leeds, spotlighting the Wykebeck Valley Way as it winds its way through East Leeds out to where it joins the Aire, the Calder and the sea.

We continued to develop East Leeds Triangle partnership with East Leeds Project and Chapel FM, to explore, profile and celebrate the distinctive heritage, culture and character of East Leeds, noting that city east-sides of cities share a history of inequality. We have worked with local residents to begin to uncover the secret heritage of East Leeds and the hidden stories of its residents to inform future co-produced heritage, arts and cultural programmes.

Our Young People's Arts Club continued to develop, visiting art venues including Leeds Art Gallery, Temple Newsam and Leeds Playhouse providing lots of inspiration for work created on the theme of climate change and sustainability. The group have worked with three different artists, Jo Knowles, Jelena Zindovic and Kevin Hickson, each with a very different approach to art practice. The group have explored a range of different forms including sculpture, drawing, collage, animation, painting (acrylics, watercolours, brusho), tie-dye textiles, bag design, glass painting. An exhibition of their work was held in the Old Workshop at Space2 and displayed as part of Elephant in the Room.

Arts and Community

Continued development of Meet Me At The Old Fire Station (MMATOFs), a partnership project with The Old Fire Station and Zest to offer a 'one front door' welcome to local people meaning they can access provision across all the Old Fire Station tenant organisations whilst registering with only one. This is already seeing a strengthened partnership approach and increased people accessing volunteering opportunities, events and the café. It has also enabled Space2 to bring arts and culture to the heart of the offer. 23 new volunteers signed up in 2022/23 and over 1,000 people attended a seasonal event at The Old Fire Station. 80 people reported improved confidence, wellbeing and social networks as a result of attending MMATOFs activities.

We have supported arts partners by hosting and promoting their projects and events in inner East Leeds including performances at The Old Fire Station of Wrongsemble's The Not So Ugly Sisters.

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We worked with The Old Fire Station to host a Heritage Open Day with a display of archives and artefacts from when the building was a working fire station, accompanied by talks from former fire fighters.

New partnership development with Temple Newsam House including conversations and activities to revisit its history in ways that bring relevance to local communities and spotlight under-represented groups' stories and hidden truths about its heritage.

Arts and Education

Our longstanding partnership with Allerton CE Primary and Leeds Beckett University School of Design worked this year with partners University of Leeds to further develop a new project, Winds of Change, integrating culture, arts and environmental responsibility. Children have had opportunities to explore themes and collective action around sustainability.

In the words of Allerton CE Primary, Deputy Head, Joy Johnston: "Our enduring partnership with Space2 enables us to spearhead innovation. Together we've delivered some exceptional work and changed the lives of our children."

Arts and Social Justice

Space2 has hugely developed and strengthened its work with local people to address the pressing needs of our communities, spotlighted and intensified by the pandemic and cost of living crisis. It has seen a significant increase in local people accessing our services and wanting to volunteer to support their neighbours and wider community, too.

Space2Sustain, a volunteer-led initiative to bring affordable clothing, homeware and fresh food to local people, whilst responding to the climate crisis has gone from strength to strength. Our volunteer led pop up shops delivered as part of this work, provided affordable food and clothing to over 350 local people over the course of the year, freeing up money for people to spend in other parts of the local economy and generating income which is being reinvested in the initiatives.

Gipton Growers, volunteers who maintain the gardens at the Old Fire Station, now has over 20 regular volunteers, an increase of 50% pre-pandemic and the group is often volunteer led. They grow produce for local people and are in discussion with the on-site café to provide fresh food more regularly.

In November we held Elephant in the Room inspired by one of the stories uncovered by volunteers at our East Leeds Fire Heritage Group whilst investigating the roll call of previous shouts. A co-produced multi-faceted project and evening event attending by 150 people that explored the metaphorical elephants in the room when it comes to the climate crisis. The Old Fire Station's Slate café supplied low carbon snacks, made with food sourced locally and grown by Gipton Growers. Clothing Rebellion hosted a fashion show, showcasing their upcycled clothes and their pop-up shop. East Leeds FM created podcasts around the theme of climate crisis. Racial Justice Network held an 'In Conversation' exploring how we can begin conversation about climate, racial and social justice in our communities.

We continued to work in partnership with University of Leeds on the Not Equal/INCLUDE project with social change organisations in Colombia, Argentina and Mexico co-producing high and low tech responses with the community to on-going challenges of inequality, social justice and enablement in a moment of unprecedented change caused by the pandemic. This included a series of half day events with the communities of Space2 around the theme of digital inclusion, timed to commemorate the 20-year anniversary of Space2 to explore embedded technologies within creative arts practice. We took part in an exchange, in 2023, visiting Mexico and Argentina and acting as hosts here at Space2, to see the other projects in action, meet the women and artists who have been involved and participate in further exploratory workshops.

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FINANCIAL REVIEW

Overview

The Company has had another stable year despite the on-going uncertainty and fundraising challenges. It would like to thank the funders who have continued to support the organisation through this difficult time. The company is able to report a financial surplus on the year of £454 on unrestricted funds.

Leeds City Council offered additional funding to enable the organisation to support vulnerable residents through the winter with warm spaces, vouchers for food and by providing items to stay warm at home.

Space2 through its Orion consortium public health contract was able to offer delivery that had both a community development focus and emergency response with partners, recognising that the challenges faced by our communities have been exacerbated by the impact of Covid19 and the cost of living crisis.

Principal Funding Sources

Space2 receives grant funding to contribute towards staffing and operational costs as well as projects. 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. These include Arts Council, National Lottery Heritage Fund, National Lottery Community Fund, Leeds Community Foundation and Rank Foundation.

A number of Trusts and Foundations contribute to running, development and activities costs, including digital inclusion. It has secured a number of small commissions and contracts through Leeds City Council and as part of the Orion consortium, has successfully secured a further 5-year contract through the LCC Public Health Directorate Community Development Based Health Improvement contract (Better Together) for E and NE Leeds.

We continued our consultancy work this year, offering fundraising, project development and business planning services to other third sector and arts organisations. Whilst this makes a small contribution, it is important in generating unrestricted income towards core running costs.

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 2023 there was an accumulated surplus on unrestricted general funds of £80,021. 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

We will continue the development of the five work programmes named in our current business plan, through further development of our distinctive creative practice co-produced with local people: whilst responding to community need and aspirations and reflecting the need to focus on climate justice locally and inter/nationally.

- **Mind Body and Soul:** Improving cultural participatory opportunities for local people at all stages of their lives and development of innovative partnerships to improve health and wellbeing of those affected by health inequalities including Better Together and locality based projects exploring Mind Body and Soul creating a safe space for women to come together.
- **Creating Change:** Inspiring social action to address climate justice through the power of arts and storytelling, including our annual Season of Light platform in partnership with Leeds Light Night with original light installations on the theme of climate justice projected on to The Old Fire Station building.
- **Space2 Sustain:** focus on creative, traditional crafts and upcycling; volunteer skills/community capacity, contributing to local, non-extractive economic development including broadening the reach of Clothing Rebellion with pop-up shops and fashion shows of upcycled clothing across East Leeds throughout the year highlighting the cost of fast fashion. Supporting Gipton Growers moving towards being volunteer led increasing input and co-production from local people.
- **Growing Voices:** co-creating projects, performances and exhibitions with local people to respond to their needs and foreground marginalised and hidden stories including; the expansion of the Northern Man Festival to include a week long programme of events in partnership with organisations across the city ending in a showcase event at Leeds playhouse in June 23, and the development of the partnership with Temple Newsam including an exhibition of 20 Space2 portraits and tapestry panels as part of 20th anniversary celebrations.
- **City East Sides:** developing a place-based partnership East Leeds Triangle with East Leeds Project (ELP) and Chapel FM to explore and define the culturally specific identity of inner East Leeds and shared heritage with other east sides of cities. Including Chapel FM performing in our July 2023 community showcase at Leeds Playhouse.

We will be exploring the development of a Cultural Pharmacy approach- creating a place/space for individual and collective joy, that could create opportunities for people to cope with life as we know it (Absorption), adjust, reflect, act in light of the current global & local structures in place (Adaption) and an opportunity to explore change, use of voice, protest etc. (Transformation). Including exploration of the Intersection between arts, health and community economic development.

We will further the continuation and development of the Meet Me At The Old Fire Station partnership, submitting a bid for a 3 year extension, to build on the strengths of the partnership we have developed so far to enhance the connection and collaboration between people, organisations and places in the Gipton neighbourhood, creating more resilient and joyful communities together.

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REFERENCE AND ADMINISTRATIVE INFORMATION

Charlty Name: Space2 Leeds

Charlty Registration Number: 1105268

Company Registration Number: 4930452

Registered Office and Operational address: The Old Fire Station
Gipton Approach
Leeds
LS9 6NL

Trustees

The trustees who have served during the year are:

Andriambolanoro Holisoa	(Resigned 29 November 2022)
Andrew Edwards	
Marla Hatton	(Resigned 29 November 2022)
Katie Jane Hill	
Paul Kalserman	Chair
Richard Norton	
Cllr Mohammed Shahzad	
Catherine Walker	
Jane Zanzottera	

Secretary

Dawn Fuller	(Resigned 6 July 2023)
Sarah Tolkin	(Appointed 6 July 2023)

Senior Management Team

Emma Tregidden	Joint CEO - Creative
Dawn Fuller	Joint CEO - Strategic
Emma Goodway	Development Programmes Manager
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 7 trustees who meet bi-monthly 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 Joint CEOs. The Joint CEOs are responsible for ensuring that the company delivers the services specified and that key performance indicators are met. The Joint CEOs 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 families and children's outcomes, 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.

The Meet Me At The Old Fire Station partnership between Space2, GFS and Zest continues to develop moving away from its pandemic response to develop The Old Fire Station as a community hub, based on community economic development principles, offering a one front door approach with activities, support and resources for local people. A Community Fund Partnerships grant will be submitted to enable further development.

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 risk in the increasingly challenging environment for small charities. A fundraising plan is in place to monitor matters and continue to build reserves in lines with our Reserves Policy.

Bi-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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom, governing the preparation and dissemination of financial statements, may differ from legislation in other jurisdictions.

Approved by the board of trustees on 28 September 2023 and signed on its behalf by:



RICHARD NORTON
Trustee

STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and expenditure account) for the year ended 31 March 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
INCOME					
Donations		400	0	400	1,275
Income from Charitable Activities	3	324,265	300,809	625,074	594,124
Total Income		<u>324,665</u>	<u>300,809</u>	<u>625,474</u>	<u>595,399</u>
EXPENDITURE					
Charitable Activities	4	324,211	339,605	663,816	592,993
Total Expenditure		<u>324,211</u>	<u>339,605</u>	<u>663,816</u>	<u>592,993</u>
Net (expenditure) / income for the year	6	454	(38,796)	(38,342)	2,406
Transfers between Funds		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Movement In Funds		454	(38,796)	(38,342)	2,406
Reconciliation of Funds					
FUND BALANCES B/F		<u>79,567</u>	<u>104,149</u>	<u>183,716</u>	<u>181,310</u>
FUND BALANCES C/F	13	<u>80,021</u>	<u>65,353</u>	<u>145,374</u>	<u>183,716</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 13 to 22 form part of these financial statements.

BALANCE SHEET
31 March 2023

		2023		2022	
	note	£	£	£	£
FIXED ASSETS					
Tangible Assets	10		19,656		32,239
CURRENT ASSETS					
Debtors	11	40,962		18,580	
Cash at Bank & In Hand		<u>118,051</u>		<u>181,399</u>	
		<u>159,013</u>		<u>199,979</u>	
LIABILITIES					
Creditors falling due within one year	12	<u>33,295</u>		<u>48,502</u>	
NET CURRENT ASSETS			<u>125,718</u>		<u>151,477</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>145,374</u>		<u>183,716</u>
FUNDS	13				
Unrestricted Funds			80,021		79,567
Restricted Funds			<u>65,353</u>		<u>104,149</u>
			<u>145,374</u>		<u>183,716</u>

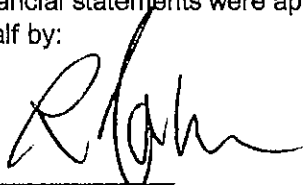
For the financial year ended 31 March 2023 the charitable company was entitled to exemption from audit under section 477 Companies Act 2006 relating to small companies.

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 28 September 2023 and signed on its behalf by:



RICHARD NORTON
Trustee

Company no: 4930452

STATEMENT OF CASH FLOW
For the year ended 31 March 2023

	Note	2023 £	2022 £
Net cash (absorbed by) / generated from operating activities	16	(63,348)	102,938
Cash flows from investing activities			
Interest Income		0	0
Purchase of tangible fixed assets		<u>0</u>	<u>(4,902)</u>
Cash used in investing activities		0	(4,902)
Cash flows from financing activities			
Repayment of borrowings		<u>0</u>	<u>0</u>
Cash used in financing activities		<u>0</u>	<u>0</u>
(Decrease) / Increase in cash and cash equivalents in the year		(63,348)	98,036
Cash and cash equivalents at the beginning of the year		181,399	83,363
Total cash and cash equivalents at the end of the year		<u>118,051</u>	<u>181,399</u>

NOTES TO THE FINANCIAL STATEMENTS
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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 the 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)) (issued in October 2019) - (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)
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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 2023 there were 7 members.

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
GRANTS				
Arts Council England Cultural Recovery	0	0	0	63,933
Arts Council England	0	34,767	34,767	0
Arts Council England - Lottery	0	4,999	4,999	44,991
Clarion House	0	3,755	3,755	0
National Lottery Fund	0	120,620	120,620	119,874
NHS West Yorkshire	0	58,000	58,000	0
Heritage Lottery	0	10,000	10,000	0
Henry Smith Foundation	0	0	0	12,500
Jimbo's Fund	0	0	0	10,934
Mohn Westlake Arts	0	0	0	10,000
Rank Foundation	0	23,458	23,458	22,535
Peter Sowerby Foundation	0	0	0	24,321
Coronavirus Job Retention Scheme	0	0	0	1,200
Other	205,730	45,210	250,940	130,776
Total Grants	205,730	300,809	506,539	441,064
FEES	118,535	0	118,535	153,060
	324,265	300,809	625,074	594,124

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 March 2023

4 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Arts & Community Projects	Total	Total
	2023	2023	2022
	£	£	
Staffing	250,824	250,824	219,305
Office	41,493	41,493	35,877
Marketing	378	378	5,567
Premises	27,106	27,106	28,347
IT Costs	14,498	14,498	4,667
Projects	274,324	274,324	244,622
Depreciation	12,583	12,583	12,424
Support Costs (see note 5)	37,110	37,110	37,154
Governance Costs (see note 5)	5,500	5,500	5,030
	<u>663,816</u>	<u>663,816</u>	<u>592,993</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	28,648	0	28,648	<i>actual costs</i>
Office	5,367		5,367	<i>pro rata</i>
Premises	3,095	0	3,095	<i>pro rata</i>
Independent Examination	0	5,500	5,500	<i>actual costs</i>
	<u>37,110</u>	<u>5,500</u>	<u>42,610</u>	

6 NET (EXPENDITURE) / INCOME FOR THE YEAR
is stated after charging

	2023	2022
	£	£
Depreciation	12,583	12,424
Independent Examiner	<u>5,500</u>	<u>5,030</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 March 2023

7 STAFF COSTS & NUMBERS

Staff costs were:	2023	2022
	£	£
Wages & Salaries	256,041	225,924
Social Security Costs	15,824	13,054
Pension Costs	7,607	6,286
	<u>279,472</u>	<u>245,264</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:

	2023	2022
	Number	Number
Joint CEOs	2	2
Administration & Communications	1	1
Project Managers and Community Development Workers	10	8
	<u>13</u>	<u>11</u>

Key Management Personnel

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

No remuneration was paid to any trustees (2022: £nil).

No expenses were reimbursed to trustees during the year (2022: £nil).

The total emoluments of the key management personnel (salaries, employer's NIC and pension costs) during the year was £156,629 (2022: £139,218).

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 (2022: £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 2023

10	TANGIBLE FIXED ASSETS	Equipment
	COST	£
	At 1 April 2022	49,697
	Additions	0
	Disposals	0
	At 31 March 2023	<u>49,697</u>
	DEPRECIATION	
	At 1 April 2022	17,458
	Charge for the year	12,583
	On disposals	0
	At 31 March 2023	<u>30,041</u>
	NET BOOK VALUE	
	At 31 March 2023	<u>19,656</u>
	At 31 March 2022	<u>32,239</u>

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

At 31 March 2023 the company had made capital commitments of £nil (2022: £nil).

	2023	2022
	£	£
11 DEBTORS		
Trade Debtors	<u>40,962</u>	<u>18,580</u>
12 CREDITORS: amounts falling due within one year:	2023	2022
	£	£
Trade Creditors	14,843	8,500
Donations & Grants Received in Advance	13,503	27,500
Taxation and Social Security	4,949	12,502
	<u>33,295</u>	<u>48,502</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 March 2023

13	FUNDS	B/F 01.04.22	Incoming Resources	Resources Expended	C/F 31.03.23
	Unrestricted Funds	£	£	£	£
	General	79,567	324,665	324,211	80,021
	Restricted Funds				
	Arts Council England Capital	31,824	0	12,168	19,656
	Arts Council England Cultural Recovery	(134)	0	0	(134)
	Arts Council England	0	34,767	5,000	29,767
	ACE/CCG Thriving Communities	7,406	4,999	12,405	0
	Clarion House	0	3,755	3,755	0
	National Lottery Community Fund	4,104	120,620	124,724	0
	Health Inequalities Fund	0	58,000	58,000	0
	Heritage Lottery Fund	0	10,000	10,000	0
	Jimbo's Fund	9,099	0	9,099	0
	Leeds City Council	0	36,250	36,250	0
	Leeds Inspired	8,973	8,870	8,973	8,870
	Mohn Westlake Arts	10,000	0	10,000	0
	Rank Foundation	14,403	23,548	30,757	7,194
	Peter Spafford	8,008	0	8,008	0
	Sowerby Foundation	10,466	0	10,466	0
		104,149	300,809	339,605	65,353
	TOTAL FUNDS	183,716	625,474	663,816	145,374

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 Cultural Recovery

To support financial sustainability and partnership development during the pandemic with contribution to core running costs and delivery of a range of participatory arts sessions and an outdoor installation.

Arts Council England

Contribution to our annual co-produced large scale community production, Ahead of the Wave, to be held in July 2023, celebrating the 20th anniversary of Space2, highlighting our impact in East Leeds and looking forward to our plans for the next 20 years in light of the ongoing environmental crisis.

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 March 2023

13 FUNDS (continued)

Purposes of Restricted Funds (continued):

ACE/CCG Thriving Communities

To deliver Thriving Communities, an Arts Council flagship programme, to promote, build and develop a community of practice for Social Prescribing in E&NE Leeds in collaboration with the health and care sector. It seeks to strengthen and broaden partnerships; increase activity across arts/creativity and culture; sport; nature; financial wellbeing; community advice and the wider VCFSE sector to help communities cope with the impact of Covid 19 and increase capacity of Social Prescribing link workers in the locality.

Clarion House

To work with the Firefighters Heritage Group to create a QR code tour of the main Gipton Fire Station building to bring their stories of serving in the fire service to life.

National Lottery Community Fund Partnerships

To develop Meet Me At The Old Fire Station creating a recognised brand across Inner East Leeds and 'one front door' approach for activities based at Gipton Fire Station (GFS) which is co-produced by and for local people.

Health Inequalities Fund

To fund two strands of work; Meanwood Men's group with activities focused on delivering health messages, reducing health inequalities and improving wellbeing of local men and Space 2 Sustain to support the continued development of Clothing Rebellion and People's Pantry groups selling affordable food and upcycled clothes whilst providing opportunities for social connection and support.

Heritage Lottery Fund

To create an online digital archive with One to One Development Trust to celebrate the 20th anniversary of Space2, including the commission and exhibition of poetry portraits of local people who have played a key role in Space2's journey.

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 and East Leeds People's Pantry to provide food, cooking/growing classes and lunch.

Plus a contribution to the realisation of our co-produced annual show with local communities called East Side Story, exploring environmental themes and uncovering hidden stories and heritage of East Leeds.

Leeds City Council

Contributions to staffing costs and delivery of a number of activities in response to the pandemic and families and children provision.

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 March 2023

13 FUNDS (continued)

Purposes of Restricted Funds (continued):

Leeds Inspired

To co-produce Elephant in the Room with local people, a Season of Light event with community performances, co-created outdoor projections and In Conversation with an environmental speaker focusing on the impact of fast fashion on the environment and the need for sustainable clothing.

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 January - December 2022 and a Climate and Sustainability Intern January- December 2023, supported by a range of training and development opportunities for the both the leader and the organisation.

Peter Spafford

Money received for artist, Peter Spafford, to develop and deliver his Arts Council funded Unsung Sports Phase 1 and 2, project managed by Space2.

Sowerby Foundation

To embed an approach to delivery throughout our co-produced participatory arts programme that consistently uses digital technologies and skills, alongside more traditional approaches, to enhance and widen our creative offer and ensure consistent opportunities to participate regardless of social distancing restrictions or any other barrier which might prevent physical access to activities.

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £
Fixed Assets	0	19,656	19,656
Current Assets	113,316	45,697	159,013
Creditors: due within one year	(33,295)	0	(33,295)
	<u>80,021</u>	<u>65,353</u>	<u>145,374</u>

15 FUTURE FINANCIAL COMMITMENTS

At 31 March 2023 the company has future operating lease commitments of £73,500 (2022: £10,500).

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 March 2023

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

	2023 £	2022 £
Net movement in funds	(38,342)	2,406
Add back depreciation charge	12,583	12,424
(Increase) / Decrease in debtors	(22,382)	54,412
(Decrease) / Increase in creditors	(15,207)	33,696
Net cash (absorbed by) / generated from operating activities	<u>(63,348)</u>	<u>102,938</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 2023 which are set out on pages 10 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.

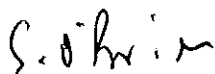
Independent examiner's report

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

28 September 2023

SPACE2 LEEDS
(A Company Limited by Guarantee)

DETAILED INCOME & EXPENDITURE ACCOUNT
Year ended 31 March 2023

	ACE																Total Restricted Funds	Total Unrestricted Funds	Total Funds	
	ACE Capital Recovery	ACE Cultural	ACE	ACE/COG Thriving Communities	Clarion House	National Lottery Community Fund	Health Inequalities Fund	Heritage Lottery Fund	Jimboos	Leeds City Council	Leeds Inspired Arts	Mohn Westlake Arts	Rank	Spafford	Sowerby Foundation	P/E 31/03/23	P/E 31/03/23	P/E 31/03/23	Y/E 31/03/22	
INCOME	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
Grants & Fees	0	0	34,767	4,989	3,755	120,620	58,000	10,000	0	36,250	8,870	0	23,548	0	0	300,809	324,265	625,074	592,924	
Job Retention Sch	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,200	
Donations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	400	400	1,275	
Total Income	0	0	34,767	4,989	3,755	120,620	58,000	10,000	0	36,250	8,870	0	23,548	0	0	300,809	324,665	625,474	595,399	
EXPENDITURE																				
Projects	0	0	0	6,058	1,970	77,428	36,151	10,000	9,099	0	8,595	5,405	2,859	7,422	6,432	171,419	102,905	274,324	244,622	
Staffing	0	0	3,500	5,836	1,444	36,414	15,253	0	0	26,188	0	4,102	27,898	586	2,400	123,621	155,851	279,472	245,264	
Office	0	0	1,500	511	341	3,770	6,596	0	0	10,062	0	493	0	0	1,634	24,907	27,453	52,360	48,452	
Marketing	0	0	0	0	0	0	0	0	0	0	378	0	0	0	0	378	0	378	5,567	
Premises	0	0	0	0	0	7,112	0	0	0	0	0	0	0	0	0	7,112	23,089	30,201	31,997	
IT Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14,498	14,498	4,667	
Depreciation	12,168	0	0	0	0	0	0	0	0	0	0	0	0	0	0	12,168	415	12,583	12,424	
Total Expenditure	12,168	0	5,000	12,405	3,755	124,724	58,000	10,000	9,099	36,250	8,973	10,000	30,757	8,008	10,466	339,805	324,211	663,816	592,993	
Net Income / (expenditure)	(12,168)	0	29,767	(7,406)	0	(4,104)	0	0	0	(9,099)	0	(10,000)	(7,209)	(8,008)	(10,466)	(38,796)	454	(38,342)	2,406	
Balance B/F	31,824	(134)	0	7,406	0	4,104	0	0	0	9,099	0	10,000	14,403	8,008	10,466	104,149	79,567	183,716	181,310	
Balance C/F	19,656	(134)	29,767	0	0	0	0	0	0	0	8,870	0	7,194	0	0	65,353	80,021	145,374	183,716	