

CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITED
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2024

Charity Number 1116957
Company Number 05028177

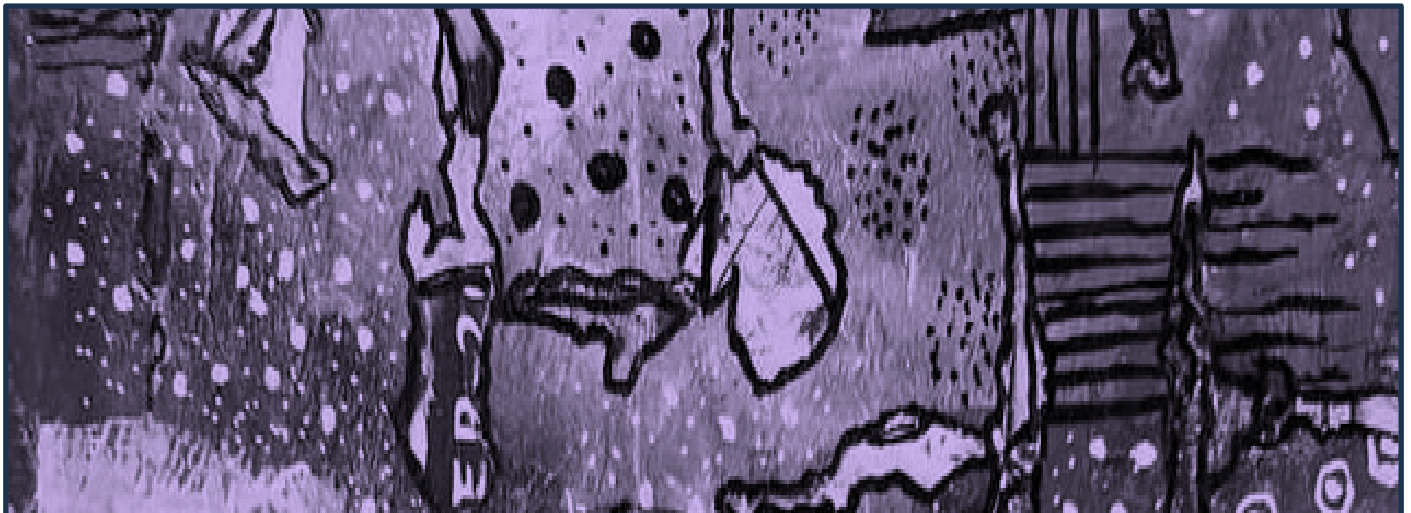
CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITED

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2024

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CHILLI STUDIOS (NEWCASTLE AND GATESHEADS ARTS STUDIO) LIMITED
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 31st March 2024

Charity Number 1116957
Company Number 05028177



Chilli Studios (Newcastle and Gateshead Arts Studio) Limited

(A company limited by guarantee)

TRUSTEE ANNUAL REPORT (including Director's report)

For the year ended March 31st 2024

The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ended March 31st 2024 which are also prepared to meet the requirements for a trustees' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2022, 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 October 2019)

1. OBJECTIVES AND ACTIVITIES

Aims of the Charity

Our Aim is to improve mental health through providing access to creative activities.

As stated in governing document - The objects of the charity are to advance the public in particular persons suffering from the effects of mental illness and mental health problems living in Newcastle and Gateshead through the use and promotion of art and artistic and creative activities

Objectives, strategies and activities for the year

To provide a sustainable service that engages people in creative activity, which promotes social inclusion and interaction, develops skills and ability which builds resilience, enables potential and improves wellbeing.

Our Values are:

- **To promote creative freedom.**

Promote the power of creativity to empower individuals to challenge internal and external perceptions of mental health. Valuing everyone's unique personal expression, inspiring people to take creative chances, build skills and celebrate achievements.

- **To be a compassionate and safe service.**

Create a safe, inclusive place where everyone feels welcome, encouraged to participate and supported throughout involvement—developing a caring community through encouragement and support. Taking time to listen, learn and respect others and their privacy; when a difference exists, value it and find shared understanding within the community of interest.





Activities

In January 2024, Chilli Studios celebrated the milestone of 20 years, something we are all very proud of. This year we provide around 13 workshops a week in all manner of creative activities; from music to writing, from animation to printmaking and much more in-between. This year we have worked with 302 registered members within the studio and many more through partnerships and external projects, totalling 11,686 activity participations.

Total workshops sessions provided	1895
Total people engaging in activities	11686
Training sessions provided for members and vols	622
Total audience & participants:	20205
Attendance empowering peers and vols sessions	2374
Volunteers supporting our activities	23
Trips to cultural venues/sites	32
Guest artist sessions	57
Exhibitions & screenings and Events	48



Public Benefit Statement

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

The Charity Commission in its “Charities and Public Benefit” Guidance states that there are two key principles to be met in order to show that an organisation’s aims are for the public benefit: first there must be an identifiable benefit and, secondly, that the benefit must be to the public or to a section of the public. The trustees are satisfied that the aims and objectives of the charity, and the activities reported on above to achieve those aims, meet these principles.

Policy on Grant Making

Chilli Studios dose not offer grants to other organisations or individuals. All grants sourced are used solely for the charitable purposes laid out in our governing documents.

Policy on Social Investment

Chilli Studios does not have any Social Investment in place

If we do receive social investment in the future, we will invest in a diversified range of asset classes and regions. We will consider investment in stocks, bonds, property, and other investment vehicles that align with our charitable mission.

Our investment objectives will be to achieve growth and income. We will aim to generate sustainable returns that allow us to achieve our charitable objectives while protecting the capital value of any future investments. We will communicate investment performance to our stakeholders annually, including donors, beneficiaries, and the Charity Commission.

Contribution by Volunteers

All volunteers are required to fill in our volunteer form, provided with the full list of appropriate policies and are DBS checked prior to engagement.

During April 2023 till March 2024 volunteers supported Chilli Studios in various areas including workshop support, exhibition delivery, promotion design, administration and trip outs.

Total sessions supported by Volunteers/peers 1210

Average Volunteer hours (1 vol for 2.5 hours per sess) 3025

2. Achievements and Performance

Evaluation and outputs

Quantitative evaluative evidence

Measured through a QR system, participant satisfaction with activities, materials, support, and equipment boasts an impressive average score of 4.57 (out of 5), translating to a remarkable 91.5% satisfaction score

Evidenced positive Impact on Wellbeing: Short Warwick-Edinburgh Mental Wellbeing Scale (Short WEMWBS) scores show a current average of 26.4, which remains significantly above the national average of 23.5 (recorded in 2016). While there's a slight decrease from the previous year (27), it's crucial to consider that individuals entering the program would most likely initially score lower than a national average due to existing mental health concerns, suggesting a significant positive change has been achieved in their life.

Qualitative Insights

- Social and Creative Benefits emerged as the most significant contributors, followed closely by support in managing anxiety/stress, practical assistance, and confidence building.

- Areas for Development: Impact on reducing reliance on clinical interventions and facilitating opportunities like employment or education scored slightly lower (around 3.5), highlighting a need for increased investment in helping participants transition beyond the program.

Looking Forward: Building upon the strong foundation of member satisfaction and positive wellbeing outcomes, Chilli Studios' future strategy will now prioritise strengthening support for participants as they transition to the next chapter, potentially involving employment, volunteering, or further education.

Progression-Based Support: Programs that equip members with skills to transition into volunteer and paid roles within Chilli Studios, fostering a supportive community while strengthening service delivery.

External Service Provision: Chilli Studios' evolving identity as a provider of external services on wellbeing and creativity presents exciting opportunities. This could involve freelance and Therapeutic Enabler-led activities, generating revenue that directly supports core services.





Fundraising

Funding Overview:

Over the year the charity was kindly supported by:

The Barbour Foundation, The Hospital Of God, The National Lottery Fund (Reaching Communities & Awards for all), The Garfield Weston Foundation, The Newcastle Fund, The Newcastle Culture Investment Fund, The Greggs Foundation, The Rington Fund, Connected Voice, The Joicey Trust, The Suicide Prevention Fund, The Prime Fund, Newcastle Building Society, The Edward Gostling Foundation, Joseph Brough Charitable Trust, The Daisy Marr Fund, Karbon Homes, The Catherine Cookson Charitable Trust, The James Knott Trust, The RW Mann Trust

Looking forward

- **Shortfall:** We face a significant shortfall in funds and will be running in deficit of approx. £7500 each month.
- **Reserves:** Fortunately, our unrestricted reserves of £87,236 can help bridge the immediate gap. However, securing significant funding within the next 6 months is crucial for medium-term sustainability.

Contingency Planning: With this current financial narrative, the staff and board have proactively discussed potential cost-reduction measures in case of continued funding shortfalls:

Phase 1: Scaling down of non-essential equipment and materials (partially implemented). **Phase 2:** Reduction in freelance hours, with core staff taking on more delivery responsibilities. This would impact our program

offerings and potentially some Therapeutic Enablers who currently work as freelancers. **Phase 3:** Reduction of core staff, impacting our operational capacity.

Decommissioning Funds: A reserve of £25,000 is allocated for decommissioning in a worst-case scenario, covering redundancies, contract closures, and space clearing.

Looking Ahead: Despite these challenges, Chilli Studios remains optimistic. Our commitment to responsible financial management and our strong reputation gives us confidence in navigating this period.





3. Financial review

Review of the year

The results for the year and the company's financial position at the end of the year are shown in the attached **financial statements**.

During the year the Charity had income of £183,665 (2023: £254,094) of which £124,087 was restricted (2023: £224,261) and expenditure of £205,314 (2023: £248,429) of which £148,662 was restricted (2023: £227,967). There was an operating deficit of surplus of £21,649X (2023: surplus of £5,665) of which a deficit of £24,575 was restricted (2023: a deficit of £3,706).

At 31 March 2024 the Charity had net assets of £108,253 (2023: £129,902) of which £214,017 was restricted (2023: £16<252).

Reserves policy/Going concern

The Trustees consider the level of reserves, £87,236 (2023: £113,650), prudent for the Charity at this time taking into account potential liabilities in the event that the charity ceased. Our Reserves Policy is reviewed annually.

Risk Management

The Board is responsible for the management of the risks to which the Charity is exposed. A risk register is produced which considers financial, governance and delivery risks.

For each risk, the register identifies:

- Initial risk assessment in terms of impact and likelihood
- Initial risk rating
- Counter measures
- Responsibility / ownership
- Timescale
- Amended risk assessment in terms of impact and likelihood
- Amended risk rating

The Board reviews the risk register throughout the year. Through the counter measures put in place in the risk register and the regular reviews and updates, the Board is satisfied that the major risks identified have been adequately mitigated. It is recognised that this approach can only provide reasonable but not absolute assurance that major risks have been adequately managed.

4. Plans for future periods.

As we approach the start of the financial year 2024 to 2025, we have begun to increase in partnership work for Chilli Studios and see this as a valuable asset in increasing our reach:

- **Research Bids:** We've has been actively involved in several research bids, one from UKRI will explore how creative interventions can benefit individuals experiencing homelessness.
- **Employability Support:** with the North East Autism Society and Azure Housing will support employability for individuals with neurodiversity, aiming to create opportunities for skill development and inclusion in the workforce.
- **Training Program for Older People:** In collaboration with Equal Arts, to develop training programs addressing mental health issues among older people, emphasising the role of creativity in promoting wellbeing.





- **Wellbeing Hub Support:** We've been invited to support the creative offerings within the new Wellbeing Hub managed by the local Integrated Care Board.

- **Peer Partnerships and Sustainability:** We have formed a Peer Partnership with Newbridge Project, focusing on researching natural processes in printmaking and textiles, as well as exploring sustainability and ethical practices.

- **LGBTQI Gardening Group:** Through a partnership with Top Soil, an LGBTQI

gardening group, we are fostering shared values and increasing awareness of LGBTQI issues while promoting community engagement and green spaces.

- **Mindfulness and Creativity:** We are developing a partnership project to explore mindfulness principles through creativity, particularly focusing on music as a therapeutic medium.

Another area of work we are keen to develop over the forthcoming year is Peer Support and progression. Chilli Studios fosters a dynamic environment where members can develop their skills, transition into paid roles, and contribute meaningfully to the community.

The Therapeutic Enabler (TE) Model: This innovative model provides employment opportunities for members who excel in peer volunteer roles. Following skill development, individuals are employed as freelance TEs, earning wages above living wage rates. Currently, 4 members hold regular TE positions, with 3 others contributing flexibly. A salaried TE position (working 7 hours per week) supports our core staff in providing various areas of member progression.

Progression examples:

- **A testament to the program's success,** one member now serves on the board of trustees, ensuring service user voices are heard. Another member acts in an advisory role.

- **External Opportunities:** Four volunteers are enrolled in courses on ceramics, media studies, and counselling.
- **Community Collaboration:** The studio's strong relationship with landlord SVP has opened doors for volunteer opportunities. Four volunteers and three members now regularly contribute at St. Vincent de Paul. Chilli Studio see it's peer support program as now a cornerstone of its future success and sustainability. By empowering members, fostering collaboration, and advocating for their voices we are providing a service that improves wellbeing and utilises reciprocity for overall benefit.





5. Reference and administrative details of the charity, its trustees and advisors

Registered charity name	Chilli Studios (Newcastle and Gateshead Arts Studio) Ltd
Charity number	1116957
Company registration number	05028177
Registered office	The Blackfriars Centre Newbridge Street Newcastle Upon Tyne NE1 2TQ
Trustees and Members of the Board	Frank Lee Smith (19th March 2024) Thomas William Lonsdale Angela Mary Main Dr Toby Brandon Rachael Doyle-Hall Dr John Banks Nikki Gibbard Alisdair Stewart Cameron Douglas Hunter
Chief Executive and Senior staff members	Robert Malpiedi (CEO) Carole Hall (Company Secretary)
Independent Examiner	Doug Maltman FMAAT Connected Voice Business Services One Strawberry Lane Newcastle upon Tyne NE1 4BX
Bankers	Unity Trust Bank Nine Brindley place Birmingham B1 2HB Santander UK Plc Business Banking 301 St Vincent Street Glasgow G2 5NT
Solicitors	None allocated

6. Structure, governance and management

Governing Document

The organisation is a Charitable Company Limited by Guarantee. 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 a winding up any member (who is a director) undertakes to contribute to the payment of liabilities, such amount as may be required not exceeding the total of £1.

Recruitment and Appointment of the Board

The Directors of the Company are also Trustees for the purposes of charity law and under the company's Articles are also its members. Under the requirements of the Memorandum and Articles of Association, at the Annual General Meeting one-third of the Directors, who are subject to retirement by rotation, shall retire. Retiring Directors can be re-appointed at the Annual General Meeting.

Trustees are selected on the basis of specialist skills and commitment to the objectives and aims of the organisation.

Board Induction and Training

New Board Members are introduced to the work of the organisation and informed of their legal roles and responsibilities at an induction meeting. The induction and training programme for new Board Members includes:

- A briefing by the Chair or Chief Executive
- An explanation of roles and responsibilities as a Board Member
- Copies of the main company documents including the Memorandum and Articles of Association and the Financial Statements
- Copy of the business plan and most recent evaluation report
- Copies of recent board papers including budgets and management accounts
- A copy of the Charity Commission publication "How to be an Effective Trustee"
- A copy of the governance structure.



7. Statement of Trustee Responsibilities

The trustees, who are also directors for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.
- The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 on 09.12.2024 and signed on their behalf by: A Cameron
(Chair)



CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITED

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2024

I report on the financial statements of Chilli Studios (Newcastle and Gateshead Arts Studio) Limited for the year ended 31 March 2024, which are set out on pages 12 to 23.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2022 ("the Charities Act") and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Doug Maltman
Fellow Member of the Association of Accountancy Technicians
Connected Voice Charity Business Services
One Strawberry Lane
Newcastle upon Tyne
NE1 4BX
Date: 09.12.2024

CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITED

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 March 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
<u>Income from:</u>					
Donations and legacies	6	37,058	-	37,058	26,010
Charitable activities					
Grants and contracts	7	20,000	124,087	144,087	224,260
Other trading activities	8	2,520	-	2,520	3,824
Total income		59,578	124,087	183,665	254,094
<u>Expenditure on:</u>					
Charitable activities					
Operation of the charity	9	56,652	148,662	205,314	248,429
Total expenditure		56,652	148,662	205,314	248,429
Net income/(expenditure)		2,926	(24,575)	(21,649)	5,665
Transfers between funds		(29,340)	29,340	-	-
Net movement of funds		(26,414)	4,765	(21,649)	5,665
<u>Reconciliation of funds</u>					
Total funds brought forward		113,650	16,252	129,902	124,237
Total funds carried forward		87,236	21,017	108,253	129,902

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 14 to 23 form an integral part of these accounts.

CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITE

(A company limited by guarantee)

Charity Number 1116957

Company Number 05028177

BALANCE SHEET

As at 31 March 2024

	Notes	£	Total 2024 £	£	Total 2023 £
<u>Current assets</u>					
Debtors	16	-		2,486	
Cash at bank and in hand	17	138,563		205,586	
Total current assets		138,563		208,072	
Creditors: amounts falling due within one year	18	(30,310)		(78,170)	
Net current assets			108,253		129,902
Total net assets or liabilities			108,253		129,902
<u>Funds of the charity</u>					
Unrestricted income funds			87,236		113,650
Restricted income funds			21,017		16,252
Total funds			108,253		129,902

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 14 to 23 form an integral part of these accounts.

These financial statements were approved by the Board on: 09.12.2024

and are signed on its behalf by: A Cameron
Chairperson

CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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 October 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2022.

Chilli Studios (Newcastle and Gateshead Arts Studio) Limited meets the definition of a public benefit entity

2.2 Preparation of the accounts on a going concern basis

The charity reported total unrestricted funds at the year end of- £26,414 and has already secured a significant amount of funding for the current year. The trustees are of the view that the immediate future of the charity for the next 12 to 18 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

3.4 Donated goods and services

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

3.6 Interest receivable

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

3.7 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.8 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the 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

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of work and other activities undertaken to further the purposes of the charity and their associated support costs.

CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

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

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
6 Donations and legacies				
Donations and gifts	5,449	-	5,449	6,580
Membership subscriptions	19,435	-	19,435	15,533
Other	12,174	-	12,174	3,897
	<u>37,058</u>	<u>-</u>	<u>37,058</u>	<u>26,010</u>
7 Charitable activities				
<u>Income from grants</u>				
Barbour Foundation	-	7,417	7,417	4,583
Connected Voice	-	2,917	2,917	6,067
D Oylly	-	-	-	3,117
Garfield Weston	20,000	-	20,000	16,667
Greggs	-	12,000	12,000	11,000
Henry Smith	-	-	-	15,000
Hospital of God	-	250	250	2,750
Joicey Trust	-	1,333	1,333	2,833
Jubilee Fund	-	-	-	6,254
Newcastle Building Society	-	2,000	2,000	1,250
Prime	-	417	417	4,583
Reed	-	-	-	2,090
Rington Fund	-	2,083	2,083	4,154
Suicide Prevention Fund	-	385	385	12,448
Big Lottery Fund	-	52,699	52,699	94,475
Enterprise Development Fund	-	-	-	13,501
Lloyds Foundation	-	-	-	1,721
NCIF	-	20,000	20,000	21,767
Newcastle Fund	-	1,875	1,875	-
Edward Gosling	-	8,333	8,333	-
Joseph Brough	-	2,917	2,917	-
Daisy Marr	-	2,250	2,250	-
Karbon Homes	-	720	720	-
Catherine Cookson	-	333	333	-
J Knott	-	2,500	2,500	-
R W Mann	-	333	333	-
National Lottery Fund	-	3,325	3,325	-
	<u>20,000</u>	<u>124,087</u>	<u>144,087</u>	<u>224,260</u>
8 Other trading activities				
Sales of goods	2,520	-	2,520	3,824
	<u>2,520</u>	<u>-</u>	<u>2,520</u>	<u>3,824</u>

CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

Income was £183,665 (2023: £254,094) of which £59,578 was unrestricted or designated (2023: £29,833) and £124,087 was restricted (2023: £224,261)

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
9 Charitable activities				
<u>Direct costs</u>				
Direct staff salaries	28,010	74,009	102,019	113,382
Direct employers NI	825	3,060	3,885	4,283
Direct pension costs	1,084	4,022	5,106	5,757
Promotion of art and artistic and creative activities	2,429	4,068	6,497	13,943
	-	-	-	-
<u>Support costs</u>				
Staffing costs	1,282	43,210	44,492	47,986
Other support costs	4,426	2,582	7,008	10,876
Repairs and renewals	-	-	-	1,104
Professional fees	234	1,300	1,534	11,550
Rent	13,576	13,693	27,269	30,962
Promotion and marketing	113	523	636	920
Insurance	454	778	1,232	767
<u>Governance costs</u>				
Accountancy services	3,043	1,417	4,460	5,686
Independent examiner's fees for reporting on the accounts	1,176	-	1,176	1,200
Companies House	-	-	-	13
	<u>56,652</u>	<u>148,662</u>	<u>205,314</u>	<u>248,429</u>

Expenditure on charitable activities was £205,314 (2023: £248,429) of which £56,652 was unrestricted or designated (2023: £20,462) and £148,662 was restricted (2023: £227,967)

10 Fees for examination of the accounts

	2024 £	2023 £
Independent examiner's fees for reporting on the accounts	1,176	1,200
	<u>1,176</u>	<u>1,200</u>

CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

11 Analysis of staff costs and the cost of key management personnel

	2024 £	2023 £
Salaries and wages	102,019	113,382
Social security costs	3,885	4,283
Pension costs (defined contribution pension plan)	5,106	5,757
	<u>111,010</u>	<u>123,422</u>

No employee received remuneration above £60,000 (2023: £nil)

The key management personnel of the charity, comprise the trustees and the charity manager . The total employee benefits of the key management personnel of the charity were £23,661 (2023: £29,138).

12 Staff numbers

The average monthly head count was 6 staff (2023: 6 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

13 Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

Trustees' expenses

No trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

14 Defined contribution pension scheme

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

The employer's pension costs represent contributions payable by the charity to the fund and amount to £5,106 (2023: £5,757). There was £1,162 outstanding as at 31 March 2024 (2023: £924)

15 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

16 Debtors and prepayments (receivable within 1 year)

	2024 £	2023 £
Other debtors	-	2,486
	<u>-</u>	<u>2,486</u>

CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

17 Cash at bank and in hand

	2024 £	2023 £
Cash at bank	138,682	205,678
Cash in hand	(119)	(92)
	<u>138,563</u>	<u>205,586</u>

18 Creditors and accruals (payable within 1 year)

	2024 £	2023 £
Trade creditors	-	5,647
Accruals		
Independent examination of accounts	1,176	-
Other accruals	1,162	5,092
Deferred income		
Hospital of God	-	250
Barbour	-	417
Prime	-	417
Greggs Trust	1,000	1,000
Suicide Prevention Fund	-	385
Rington Fund	-	2,083
Connected Voice	-	2,917
Newcastle Building Society	-	1,750
Big Lottery Fund	5,513	58,212
R W Mann	667	-
Edward Gosling	1,667	-
J Knott	2,500	-
National Lottery Fund	16,625	-
	<u>30,310</u>	<u>78,170</u>

19 Deferred income

Deferred income comprises of advance payments from grants that relate to future periods

	2024 £	2024 £
Balance brought forward	67,431	-
Amount released to income earned from charitable activities	(67,431)	-
Amount deferred in year	27,972	67,431
Balance carried forward	<u>27,972</u>	<u>67,431</u>

20 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

21 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	23,651	59,578	(56,652)	30,660	57,237
Designated funds					
Governance	70,000	-	-	(50,000)	20,000
Research and Development	20,000	-	-	(10,000)	10,000
Totals	113,651	59,578	(56,652)	(29,340)	87,236

Purpose of unrestricted funds

General unrestricted fund	The 'free reserves' of the charity
Designated Funds:	
Governance	Funds to cover the Governance of the service.
Research and Development	Funds to support strategic development.

CHILLI STUDIOS (NEWCASTLE AND GATESHEAD ARTS STUDIO) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

21 Analysis of charitable funds (continued)

Analysis of movement in restricted funds

Restricted funds	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
National Lottery Fund	18,070	3,325	(3,365)	-	18,030
Enterprise Development Fund	4,425	-	(4,609)	184	-
Lloyds Bank Foundation	9	-	-	-	9
Other Funds	(6,252)	-	-	6,252	-
Newcastle Building Society	-	2,000	(2,032)	32	-
Ringtons Fund	-	2,083	(3,628)	1,545	-
Big Lottery Fund	-	52,699	(70,193)	17,494	-
Edward Gosling	-	8,333	(8,303)	-	30
J Knott	-	2,500	(2,980)	480	-
Karbon Homes	-	720	(1,023)	303	-
Daisy Marr	-	2,250	(2,099)	-	151
R W Mann	-	333	(333)	-	-
Joicey Trust	-	1,333	(1,333)	-	-
Barbour Foundation	-	7,417	(7,417)	-	-
Joseph Brough	-	2,917	(2,917)	-	-
Connected Voice	-	2,917	(5,753)	2,836	-
NCIF	-	20,000	(18,394)	-	1,606
Catherine Cookson	-	333	(547)	214	-
Greggs Foundation	-	12,000	(10,999)	-	1,001
Newcastle Fund	-	1,875	(1,685)	-	190
Prime	-	417	(417)	-	-
Suicide Prevention Fund	-	385	(385)	-	-
Hospital of God	-	250	(250)	-	-
Totals	16,252	124,087	(148,662)	29,340	21,017

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

National Lottery Fund	Sessional costs.
Enterprise Development Fund	Salary and related project costs.
Lloyds Bank Foundation	Sessional costs.
Other Funds	Sessional costs.
Newcastle Building Society	Salary costs.
Ringtons Fund	Ceramics. sessional fees and materials etc.
Big Lottery Fund	Reaching Communities Funding.
Edward Gosling	Sessional costs.
J Knott	TE fees and sessional
Karbon Homes	TE fees and sessional
Daisy Marr	Sessional and promotion.
R W Mann	Sessional costs.
Joicey Trust	TE fees.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

Purpose of restricted funds (continued)

Barbour Foundation	Support for Creative operations.
Joseph Brough	Admin worker.
Connected Voice	Cost of living.
NCIF	Management costs.
Catherine Cookson	Materials and sessional costs.
Greggs Foundation	Manager and Arts Worker salaries.
Newcastle Fund	Photography.
Prime	Inclusion and support worker costs.
Suicide Prevention Fund	Inclusion and support worker costs.
Hospital of God	Sessional costs.

Transfers between funds

	Reason for transfer	Amount £
Between unrestricted and restricted funds	To cover overspends on restricted funds.	29,340
Between unrestricted and designated funds	To cover costs related to designated funds.	60,000

22 Capital commitments

As at 31 March 2024, the charity had no capital commitments (2023 -£nil)

23 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Cash at bank and in hand	117,546	21,017	138,563	205,586
Other net current assets/(liabilities)	(30,310)	-	(30,310)	(75,684)
	87,236	21,017	108,253	129,902