

ST MATTHEW'S HOUSE LIMITED

England & Wales · Charity number 1146648

Details

Status Registered

Legal form Charitable company

Company number [07752686](#)

Registered 2012-03-28

Register [View on the Charity Commission register](#)

Contact

Address The Art House
8 Backfields
Sheffield
S1 4HJ

Phone 0114 272 3970

Email info@arthousesheffield.co.uk

Website www.arthousesheffield.co.uk

Activities

Objects: THE OBJECTS ARE SPECIFICALLY RESTRICTED TO SUCH PURPOSES WHICH ARE EXCLUSIVELY CHARITABLE IN THE LAWS OF ENGLAND AND WALES, AND FOR THE PUBLIC BENEFIT, AS THE TRUSTEES SHALL IN THEIR ABSOLUTE DISCRETION DETERMINE, AND IN PARTICULAR (BUT NOT EXCLUSIVELY): TO BENEFIT THE INHABITANTS OF THE CITY OF SHEFFIELD, AND IN PARTICULAR THOSE INHABITANTS LIVING IN THE ECCLESIASTICAL PARISHES IN THE DIOCESE OF SHEFFIELD WITHOUT DISTINCTION OF SEX, SEXUAL ORIENTATION, RACE OR OF POLITICAL, RELIGIOUS OR OTHER OPINIONS BY BRINGING TOGETHER THE STATUTORY, VOLUNTARY AND OTHER ORGANISATIONS AND INHABITANTS IN A COMMON EFFORT TO: (A) IMPROVE THE PHYSICAL, MENTAL/EMOTIONAL AND SPIRITUAL WELL-BEING OF INHABITANTS, PARTICULARLY INHABITANTS LIVING WITH MENTAL HEALTH DIFFICULTIES; (B) ADVANCE EDUCATION (INCLUDING RELIGIOUS, MORAL AND PHYSICAL EDUCATION); AND (C) PROVIDE FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR RECREATION AND LEISURE TIME OCCUPATION WITH THE OBJECTIVE OF IMPROVING THE CONDITIONS OF LIFE OF THE SAID INHABITANTS. IN FURTHERANCE OF THESE OBJECTS BUT NOT OTHERWISE, THE TRUSTEES SHALL HAVE POWER TO: (A) ESTABLISH OR SECURE THE ESTABLISHMENT OF A COMMUNITY CENTRE; (B) MAINTAIN OR MANAGE OR CO-OPERATE WITH ANY STATUTORY AUTHORITY IN THE MAINTENANCE AND MANAGEMENT OF A COMMUNITY CENTRE; FOR ACTIVITIES PROMOTED BY THE CHARITY IN FURTHERANCE OF THE ABOVE OBJECTS.

Activities: To help people with mental health difficulties make the transition into mainstream society equipped with the skills and social networks necessary for a meaningful and hope-filled life. This is achieved by delivering pottery and art classes in a beautiful bespoke facility that is shared by the general public. The shared activities create a non-stigmatising and asset based approach to mental health.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Disability, Arts/culture/heritage/science, Other Charitable Purposes
- **Who:** People With Disabilities, The General Public/mankind

Geography

- Sheffield City

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£307,047	£293,142	-	-
2023-12-31	£340,263	£334,581	-	-
2022-08-31	£195,183	£262,020	-	-
2021-08-31	£293,256	£305,611	-	-
2020-08-31	£427,884	£356,514	-	-

Trustees

Name	Role	Appointed
The Reverend Grant Lambert Naylor	Chair	2015-04-27
Dr Stuart Barfield		2023-07-08
JOHN MCQUATER		2012-02-23
Jane Price		2024-09-18
Rutendo Gwendolyn Gambe		2024-09-18
STEPHEN GEOFFREY LINSKILL		2012-02-23

ST MATTHEW'S HOUSE LIMITED

England & Wales - Charity number 1146648

Accounts

Registered Charity Number: 1146648
Company number: 07752686

St Matthew's House Limited

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

**For the year ended 31 December 2024 (comparative period: 16 months
ended 31 December 2023)**

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Legal and administrative information

Charity number

1146648

Company number

07752686

Other names the charity is known by:

The Art House

Trustees

J McQuater

S Linskill

The Rev'd G L Naylor (Chairman)

Dr S Barfield

J Price

Appointed 18/09/2024

R Gambe

Appointed 18/09/2024

G R Millar

Resigned 01/05/2024

C A Gracey

Resigned 22/05/2024

Company Secretary

J M Hanks

Registered office

8 Backfields

Sheffield

S1 4HJ

Independent Examiner

Susan Cochrane, FCA

Seven Hills Accountants Limited

57 Burton Street

Sheffield

S6 2HH

St Matthew's House Limited

Trustees' annual report

For the year end 31 December 2024

The Trustees, who are also Directors of the Company for the purposes of the Companies Act, present this Annual Report and Financial Statements of the company for the year ended 31 December 2024.

The Trustees confirm that the Annual Report and Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and with the Charities Act 2011.

Objectives and public benefit

The charity's objectives are specifically restricted to such purposes which are exclusively charitable in the laws of England and Wales, and for the public benefit, as the trustees shall in their absolute discretion determine, and in particular (but not exclusively):

1. to benefit the inhabitants of the city of Sheffield, and in particular those inhabitants living in the ecclesiastical parishes in the diocese of Sheffield without distinction of sex, sexual orientation, race or of political, religious or other opinions by bringing together the statutory, voluntary and other organisations and inhabitants in a common effort to:
 - a. improve the physical, mental/emotional and spiritual well-being of inhabitants, particularly inhabitants living with mental health difficulties;
 - b. advance education (including religious, moral and physical education); and
 - c. provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life of the said inhabitants.

In furtherance of these objects but not otherwise, the trustees shall have power to:

2. establish or secure the establishment of a community centre;
3. maintain or manage or co-operate with any statutory authority in the maintenance and management of a community centre;

for activities promoted by the charity in furtherance of the above objects.

In setting the objectives and planning the activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and fee charging.

Summary of main activities

The Board of Trustees are extremely grateful to the whole team who have developed and delivered our model over this period. Following on from the steps made last year a more robust operational model has been developed which responded to the challenges incurred from starting back-up from the pandemic.

A more commercial delivery that reduces the charity's dependency on public funding is proving to produce small and manageable growth. Although we are at the first stages of changing our structure it can be seen in the accounts that this approach is working, and we will continue to move to more independency.

St Matthew's House Limited

Trustees' annual report

For the year end 31 December 2024

Summary of main activities (continued)

The Art House continues to operate, serving the community with two Wellbeing projects to support people who are vulnerable and living with mental health and addiction issues. A series of contracts with other like-minded local charities to use our resources and space has also started and an area we wish to grow.

During this year the Art House has:

- Developed the new operational structure
- Continued the delivery of the Anderson-Green Project in cooperation with the parish nurses
- Secured new income pathways
- Reduced dependency on grants
- Secured the business model
- Continued in charitable wellbeing groups

The Finance Committee has evolved to become the finance and general purposes committee and meets ahead of every board meeting to review finance, assess and discuss issues as well as review our structures and opportunities for growth as well as stability.

The Pottery continues to be a higher income pathway but is more balanced with our other art courses and workshops which have continued to grow. Pottery Open Studio members who pay a monthly subscription to our studios has increased to 150 members. The growth has been facilitated by us reconfiguring the space to increase capacity. We have continued to reduce our wage liability for staff by continuing to engage external tutors on short term contracts.

We now provide more Art Courses along a new timetable which enables us to deliver a breadth of new courses and workshops. We have concentrated on more workshops rather than longer courses. This has been to respond better to the market in the face of the "cost of living crisis". Our second Summer School grew from the first year, this is an important income stream at our traditional quieter period.

We collaborated with the local arts organisation 'Open Up Sheffield' which we will continue to develop allowing us to increase our income from gallery sales and gain new audiences.

The board met bimonthly during this period. Its sub-committee with a focus on Finance and HR have met regularly in-between board meetings.

Particular areas focussed on by the board:

1. The board has worked with our Strategic Lead to oversee and improve the day to day working of the charity.
2. The board successfully managed to use our assets to maintain our work. We have maintained and increased our loan repayments.
3. The board sought to support staff and recognise their hard work in challenging times through initiating a new pay structure benchmarked by the Real Living Wage.
4. We worked towards increasing the hours of the Strategic Leader.

St Matthew's House Limited

Trustees' annual report

For the year end 31 December 2024

Summary of main activities (continued)

5. We have continued to maintain space for the parish church in its work and mission and ministry and we have sought built and developed our work in collaborating with the Parish Nursing Project.
6. We have recruited two new trustees in succession to Caroline and Graham who retired.
7. We maintained an annual trustee away day to improve our governance

Achievements and Performance

- a) The charity has continued to operate and pay all of its creditors including its loan obligations. During this period we have overpaid our lenders reducing interest in doing so. This is a significant milestone for the charity. The model initiated under the present leadership has delivered an operational profit, which hasn't been seen in the past. Previous profits were only deliverable with grants. It shows that with cautious planning and delivery we will be able to continue to turn a profit in the future and best serve our clients and stakeholders.
- b) Clearer financial reporting has enabled the board to take more proactive decisions for the future.
- c) Courses continued to prove popular, and we have sought to adapt our offer
- d) As a charity we have maintained a wellbeing offering and increasing it through the Anderson-Green project (for those recovering from drug and drink addiction). This has grown and been well received and respected across the city.
- e) We secured almost £4,192 from the Safer Sheffield Partnership towards our work with those in Recovery from addiction.
- f) We have invested in our buildings through redecoration and a new reception. Spaces have been reconfigured to maximise use.
- g) We have grown the number of users of our subscription Open Studio increasing regular sustainable income as we do so. This has grown from under 100 to 150. This is an outstanding achievement of the year and is driving income.
- h) We have focussed on our courses which deliver profitability
- i) We have maintained and formed relationships with other partners in the city. These range from our fellow St Matthew's partners; the parish nurses, and with figures from the arts and are looking at new partnerships across the city to deliver a lights show in December 2025.
- j) We have put in place a new HR system. This has brought us into line with latest legislation and makes us compliant. We have engaged HR Bright to assist us in this work and we have an on-going relationship with them.

The Board acknowledges that the new model has provided a more secure and sustainable financial position, with capacity for growth and debt servicing. However, it also recognises that this represents a shift from its established governance framework, and has therefore sought professional advice to ensure full compliance with all relevant regulatory requirements.

St Matthew's House Limited

Trustees' annual report

For the year end 31 December 2024

Financial Review and Reserves Policy

The statement of financial activities is set in the financial statements. Income for the year amounted to £307,047 (2023: £340,263). Total expenditure amounted to £293,142 (2023: £334,581). Net movement in funds for the year was a net income of £13,905 (2023: £5,682) resulting in net assets at the year-end of £983,156 (2023: £969,251)

The Trustees have considered the level of unrestricted funds, which they see as appropriate to hold in reserve and have concluded that this should be the equivalent of a minimum of three month's salary expenditure. The Trustees aim to have £21,000 to hand but have a longer-term goal of reaching £50,000 in reserve. The Trustees will keep the level of reserves under review and keep them inline with the wage bill.

As at 31 December 2024 free reserves (comprising net current assets less loans relating to property) were negative £37,548 (2023: negative £42,941).

The Trustees continue to address the concerns of the financial position by working closely with our Strategic Director and the Finance Manager. The business plan we have developed has provided a much more manageable operation delivery with new income pathways which are measurable

The charity also continues to receive the support of its principal creditors and loan providers to be able to adapt to any changes in the charity's circumstances. The Parish Church of St Matthew, Carver Street is the Sole Member of the Charity and we are therefore part of a wider grouping should there need to be assistance.

Future Plans

The Charity is in a stronger position both financially as well as operationally, with a much clearer vision and business model. We have continued to grow the number of participants using our facilities and the Anderson-Green project for those on a recovery journey from addiction has continued to run successfully. For the first time in several years, we have been able to invest in our plant and that has in turn increased usage.

Although we are in a stronger position, we recognise the challenges on a day-to-day basis as well as those ahead of us. But we have a clear, consistent and coherent plan to continue to increase revenue. The historic loans on the buildings here have continued to be paid down and have reduced significantly in this period, and the more commercial income streams increased giving us a more stable base.

Risk management

The trustees have given consideration to the major risks and have given significant time to updating its risk register this year. They are satisfied that control systems and procedures are established in order to manage these risks.

St Matthew's House Limited

Trustees' annual report

For the year end 31 December 2024

Structure, governance and management

The charity is governed by its Memorandum and Articles of Association and is incorporated as a company limited by guarantee.

Members of the charity guarantee to contribute £10 in the event of winding up. The sole Member of the Charity is Parochial Church Council for the Ecclesiastical Parish of Sheffield St Matthew in the Diocese of Sheffield.

Governance

Trustees are appointed by the Parochial Church Council of St Matthews, Carver Street, subject to the rules laid down in the Memorandum and Articles of Association.

The term "Board" is defined as the meetings of the trustees. The Board's main duty is to manage the Charity, ensuring good governance and practice.

Once appointed, Trustees must make themselves aware of the terms of the Memorandum of St Matthew's House, familiarise themselves with the charity's property, policies, human resources, client needs and finances. They will ensure that the staff are well looked after, that investment of the charity funds complies with the terms of the Memorandum, and that the strategy and objectives of St Matthew's house are developed.

The Board will act exclusively in the best interest of the charity. Therefore, a Trustee must not allow a situation to arise where their duty as a Trustee conflicts with their own personal interest. They are required to manage the charity and to ensure that the objectives of the chair are met. The Board will spend time inducting new Trustees by informing them about:

- A brief history of the organisation;
- Strategic direction and mission statement;
- The structure of the organisation, committees, sub-committees, working groups, user groups, staff and volunteers, and the partnership with the mission of St Matthew's House; and
- The business plan of St Matthew's House.

The Board will ensure that new Trustees will know enough to be able to carry out their role, but not be overloaded or mislead them about the level of work involved.

All Trustees give their time freely and no remuneration or expenses were paid in the year.

Structure and management

Day to day running of the charity is delegated to a management team led by a Strategic Director.

The management and finances are administered through the Board of Trustees which meets bi-monthly. There are two sub-committees of the board which focus on Finance and HR. They meet ahead of full board meetings and report to them.

Reports on finance, work to raise funds, HR and outcomes and outputs monitoring are received.

St Matthew's House Limited

Trustees' annual report

For the year end 31 December 2024

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the board on 22 Oct 2025
trustees by:

and signed on behalf of the



The Rev'd G L Naylor
Chairman

Independent examiner's report to the directors of St Matthew's House Limited ('the Company')

I report to the charity directors on my examination of the accounts of the Company for the year ended 31 December 2024.

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 statement – matter of concern identified

Since the Charity'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 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).

During my examination I identified a weakness in the charity's accounting records concerning the identification and recording of deferred income. At the year end, no report was generated from the sales system to determine income received in advance, resulting in an absence of contemporaneous evidence to support the deferred income position. The deferred income balance was subsequently reconstructed after the year end through retrospective analysis. While appropriate adjustments were ultimately made, the lack of timely records represents a lapse in financial control. Management has advised that procedures have now been established to ensure deferred income is properly identified and recorded at each future year end.

I have no other 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 Cochrane

Signed:

Susan Cochrane FCA DChA
Seven Hills Accountants Limited
57 Burton Street
Sheffield
S6 2HH

Date: 22 Oct 2025

St Matthew's House Limited
Statement of financial activities
(incorporating the income and expenditure account)
For the year ended 31 December 2024
(comparative: 16 months ended 31 December 2023)

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Restricted funds £	Total 2023 £
Income from:							
Grants and donations	2	732	8,418	9,150	522	35,090	35,612
Charitable activities	3	198,072	-	198,072	207,383	-	207,383
Other trading activities	4	94,024	-	94,024	92,877	-	92,877
Room rental income		4,782	-	4,782	3,446	-	3,446
Investments - bank interest		1,019	-	1,019	945	-	945
Total income		298,629	8,418	307,047	305,173	35,090	340,263
Expenditure on:							
Raising Funds	5	2,542	-	2,542	2,486	-	2,486
Charitable activities	6	204,544	14,464	219,008	218,892	41,692	260,584
Trading and other	7	67,548	4,044	71,592	71,511	-	71,511
		274,634	18,508	293,142	292,889	41,692	334,581
Net income/(expenditure)		23,995	(10,090)	13,905	12,284	(6,602)	5,682
Fund transfers	16	1,000	(1,000)	-	-	-	-
Net movement in funds		24,995	(11,090)	13,905	12,284	(6,602)	5,682
Total funds brought forward		64,460	904,791	969,251	52,176	911,393	963,569
Total funds carried forward		89,455	893,701	983,156	64,460	904,791	969,251

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The comparative period covered 16 months to 31 December 2023; the current year covers 12 months to 31 December 2024, and the results are therefore not directly comparable.

St Matthew's House Limited
Balance Sheet
As at 31 December 2024

	Notes	Total 2024 £	Total 2023 £
Fixed assets			
Tangible assets	11	<u>1,269,336</u>	<u>1,280,400</u>
Current assets			
Stock	12	1,330	1,258
Debtors	13	2,962	10,534
Cash at bank and in hand		48,535	37,070
Total current assets		<u>52,827</u>	<u>48,862</u>
Creditors: amounts falling due within one year	14	(104,493)	(105,536)
Net current assets		<u>(51,666)</u>	<u>(56,674)</u>
Total assets less current liabilities		<u>1,217,670</u>	<u>1,223,726</u>
Creditors: amounts falling due after more than one year	15	(234,514)	(254,475)
Total net assets		<u><u>983,156</u></u>	<u><u>969,251</u></u>
Represented by:			
Funds of the Charity			
Unrestricted funds		89,455	64,460
Restricted income funds	16	893,701	904,791
	17	<u><u>983,156</u></u>	<u><u>969,251</u></u>

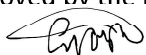
For the year ending 31 December 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The director's acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

Approved by the Board of Trustees on 22 Oct 2025



and signed on their behalf by:

The Rev'd G L Naylor
Chairman

1 Accounting policies

(a) General

St Matthew's House Limited is a charitable company in the United Kingdom limited by guarantee. In the event that the charity is wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and with the Charities Act 2011. The financial statements have taken advantage of the exemption to prepare a Statement of Cash Flows.

The comparative information relates to a 16 month period ended 31 December 2023. Consequently, the amounts presented in the Statement of Financial Activities are not directly comparable.

St Matthew's House Limited meets the definition of a public benefit entity under FRS 102. The financial statements are prepared under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and are rounded to

(b) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

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

(c) Donated services and facilities

Donated professional services and donated 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. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated 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

(d) Expenditure and irrecoverable VAT

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.

All expenditure is accounted for on an accruals basis, including irrecoverable VAT, and has been listed under headings that aggregate all the costs related to that activity.

Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expense headings on the basis of the time spent.

Governance costs are those in connection with the management of the charity, organisational administration and compliance with the

Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources.

(e) Tangible fixed assets

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

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

Fixtures, fittings & equipment	20% straight line
Computers	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

(f) Debtors

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

1 Accounting policies (continued)

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

(h) Creditors

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.

(i) 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.

(j) Pension obligations

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

(k) Employee benefits

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

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

(l) Taxation

As a charity, the organisation is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its charitable objects.

(m) Leases

Rental payable and receivable under operation leases are charged to the SOFA on a straight line basis over the period of the lease.

(n) Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the organisation without further specified purpose and are available as general funds.

Designated funds are funds set aside at the discretion of the trustees for a specific project.

Restricted funds are to be used for specific purposes as laid down by the funder.

(o) Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 Income from grants and donations

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
<u>Grant income:</u>						
Sheffield City Council	-	7,689	7,689	-	-	-
The J G Graves Charitable Trust	-	-	-	-	3,000	3,000
St Agatha's Community Kick Start Fund	-	-	-	-	1,300	1,300
Sheffield Town Trust	-	-	-	-	5,000	5,000
South Yorkshire Housing Association	-	-	-	-	24,790	24,790
Donations	732	729	1,461	522	1,000	1,522
	<u>732</u>	<u>8,418</u>	<u>9,150</u>	<u>522</u>	<u>35,090</u>	<u>35,612</u>

St Matthew's House Limited
Notes to the Accounts (continued)
For the year ended 31 December 2024

3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
					-	
Pottery	128,899	-	128,899	104,489	-	104,489
Art	64,899	-	64,899	65,920	-	65,920
Other	4,274	-	4,274	36,974	-	36,974
	198,072	-	198,072	207,383	-	207,383

4 Income from other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Pottery	9,504	-	9,504	11,425	-	11,425
Art	74,879	-	74,879	70,162	-	70,162
Other	9,641	-	9,641	11,290	-	11,290
	94,024	-	94,024	92,877	-	92,877

5 Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Grant processing salary costs	2,542	-	2,542	2,486	-	2,486
	2,542	-	2,542	2,486	-	2,486

6 Expenditure on charitable activities

Note	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Pottery & art						
Pottery & art materials	9,512	563	10,075	8,409	5,645	14,054
Well-being expenses	1,900	1,300	3,200	680	18,355	19,035
Tutor fees	39,988	-	39,988	39,299	679	39,978
Wages and salaries	33,001	852	33,853	36,930	4,296	41,226
Support costs	120,060	4,115	124,175	133,243	2,336	135,579
Other	83	-	83	-	-	-
Depreciation	-	7,634	7,634	331	10,381	10,712
	204,544	14,464	219,008	218,892	41,692	260,584

7 Expenditure on trading activities

	Note	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Pottery & art							
Pottery & art materials		3,903	-	3,903	4,011	-	4,011
Wages and salaries	8	14,360	-	14,360	15,674	-	15,674
Support costs	9	49,279	-	49,279	47,354	-	47,354
Other		6	614	620			
Depreciation		-	3,430	3,430	4,161	-	4,161
Loss on disposal of fixed asset		-	-	-	311	-	311
		67,548	4,044	71,592	71,511	-	71,511

8 Staff Costs

	2024 £	2023 £
Wages and salaries	116,449	105,882
Employer's National Insurance	6,759	5,801
Employer's allowance	(6,164)	(5,557)
Employer's pension contributions	1,877	1,689
	118,921	107,815
Freelance staff	6,771	20,891
	125,692	128,706

No employee received emoluments of more than £60,000.

The average monthly number of paid employees during the year was 8 (2023: 6).

9 Analysis of support costs

The charity apportions the support costs between the charitable and trading activities undertaken.

	Note	Charitable Activities £	Trading Activities £	Total 2024 £	Charitable Activities £	Trading Activities £	Total 2023 £
Pottery & art							
Wages and salaries	8	50,919	24,017	74,936	49,232	20,088	69,320
Office costs		26,813	12,045	38,858	41,514	16,126	57,640
Miscellaneous		14,278	6,407	20,685	9,367	3,565	12,932
Loan interest		5,078	2,281	7,359	7,655	2,973	10,628
Bank charges		3,359	1,509	4,868	3,637	1,413	5,050
Irrecoverable VAT		17,006	-	17,006	15,963	-	15,963
Governance		6,722	3,020	9,742	8,211	3,189	11,400
		124,175	49,279	173,454	135,579	47,354	182,933

Charitable activities support costs total £124,175 of which £4,115 relates to restricted funds.

Trading activities support costs total £49,279 of which £nil relates to restricted funds.

10 Fees payable to Independent examiner's organisation

	2024	2023
	£	£
Independent examination fee (included in Governance Costs)	<u>1,235</u>	<u>1,375</u>
Other fees payable to independent examiner's organisation were:		
Taxation services	<u>210</u>	<u>-</u>

11 Tangible fixed assets

	Long Leasehold Property £	Fixtures, fittings and equipment £	Total £
Cost or Valuation			
As at 1 September 2023	1,383,710	32,413	1,416,123
As at 31 December 2024	<u>1,383,710</u>	<u>32,413</u>	<u>1,416,123</u>
Depreciation			
As at 1 September 2023	103,310	32,413	135,723
Charge this period	11,064	-	11,064
As at 31 December 2024	<u>114,374</u>	<u>32,413</u>	<u>146,787</u>
Net Book Value			
As at 31 December 2024	<u>1,269,336</u>	<u>-</u>	<u>1,269,336</u>
As at 31 August 2023	<u>1,280,400</u>	<u>-</u>	<u>1,280,400</u>

12 Stock

	2024	2023
	£	£
Stocks held at the year end	<u>1,330</u>	<u>1,258</u>
	<u>1,330</u>	<u>1,258</u>

13 Debtors

	2024	2023
	£	£
Trade debtors	2,001	1,531
Prepayments and accrued income	961	9,003
	<u>2,962</u>	<u>10,534</u>

14 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	3,719	6,325
Sundry creditors & deposits	12,217	1,117
PAYE	4,537	2,579
Accruals	9,302	6,392
Prepaid trading income	24,981	38,739
St Matthews PCC	10,899	10,899
Pension	913	530
VAT	18,559	20,104
Loans	19,366	18,851
	<u>104,493</u>	<u>105,536</u>

15 Creditors: amounts falling due after more than one year

	2024 £	2023 £
Bank Loans	118,114	130,575
Other Loan	116,400	123,900
	<u>234,514</u>	<u>254,475</u>
Financial instruments		
Loans are repayable as follows:		
Within one year	19,366	18,851
Between one to two years	19,915	19,416
Between two to five years	63,658	61,860
Over five years	150,941	173,199
	<u>253,880</u>	<u>273,326</u>

Financial instruments measured at amortised cost comprise of a £94,242 (2023: £101,043) bank loan provided by Charity Bank which has a 6.5% interest rate, a Bounce Back Loan of £35,738 (2023: £40,883) which had a interest rate of 2.5% and an other loan of £123,900 (2023: £131,400) from St Vincent House which had a 0% interest rate.

16 Restricted funds

	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
Anderson Green Project	3,779	4,944	(4,699)	(1,000)	3,024
Sheffield City Council Ward Pot	-	2,745	(2,745)	-	-
New Kiln Fundraiser	-	729	-	-	729
Restricted Fixed Asset Fund					
Property Reserve	901,012	-	(11,064)	-	889,948
	<u>904,791</u>	<u>8,418</u>	<u>(18,508)</u>	<u>(1,000)</u>	<u>893,701</u>

Anderson Green Project

The Anderson Green project is a new Wellbeing Initiative providing a Friday night café and Art Class with a homemade free hot meal, art and peer support for those recovering from addictions. The transfer relates to costs incurred in the prior year being allocated to the restricted fund.

Sheffield City Council Ward Pot

Funding received to support the Art House in renovation works to create a new entrance and reception area.

New Kiln Fundraiser

Fundraiser to purchase a new Rohde TE250S kiln.

Property Reserve

The property reserve reflects the net book value of leasehold property financed from restricted funds.

<i>Prior year comparative</i>	<i>Brought forward £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Carried forward £</i>
Anderson Green Project	-	27,090	(23,311)	-	3,779
Sheffield Town Trust	-	5,000	(5,000)	-	-
J G Graves Charitable Trust	-	3,000	(3,000)	-	-
Restricted Fixed Asset Fund					
Property Reserve	911,393	-	(10,381)	-	901,012
	<u>911,393</u>	<u>35,090</u>	<u>(41,692)</u>	<u>-</u>	<u>904,791</u>

17 Net assets by fund

	General Fund £	Restricted Funds £	Total 2024 £
Tangible fixed assets	375,635	893,701	1,269,336
Net current assets	(51,666)	-	(51,666)
Creditors of more than one year	(234,514)	-	(234,514)
	89,455	893,701	983,156
<i>Prior year comparative</i>	<i>General Fund £</i>	<i>Restricted Funds £</i>	<i>Total 2023 £</i>
<i>Tangible fixed assets</i>	<i>379,388</i>	<i>901,012</i>	<i>1,280,400</i>
<i>Net current assets</i>	<i>(56,674)</i>	<i>-</i>	<i>(56,674)</i>
<i>Creditors of more than one year</i>	<i>(254,475)</i>	<i>-</i>	<i>(254,475)</i>
	68,239	901,012	969,251

18 Trustee remuneration and expenses, and the cost of key management personnel

The trustees were not paid or received any other benefits from employment with the charity in the year (2023: £nil) neither were they reimbursed expenses during the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

The key management personnel of the charity comprise the strategic director and the trustees. The total employee benefits of the key management personnel of the charity were £36,316 (2023: £10,604).

19 Related party transactions

St Matthew's PCC is the sole member of the Charity. During the year income of £6,036 was received from them being recharges for utilities and reimbursements for specific purchases. Expenses of £5,107 were paid to them for contributions to wards insurance costs and other one off specific expenses.

No other transactions have taken place with related parties during the year, other than those included in note 18.

ST MATTHEW'S HOUSE LIMITED

England & Wales - Charity number 1146648

Accounts

Registered Charity Number: 1146648
Company number: 07752686

St Matthew's House Limited

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

For the 16 month period ended 31 December 2023

St Matthew's House Limited

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St Matthew's House Limited

Legal and administrative information

Charity number

1146648

Company number

07752686

Other names the charity is known by:

The Art House

Trustees

J McQuater

S Linskill

The Rev'd G Naylor

S Barfield

G R Millar

A C Knowles

C A Gracey

Chairman

(appointed 08/07/2023)

(resigned 01/05/2024)

(resigned 12/07/2023)

(resigned 22/05/2024)

Company Secretary

J M Hanks

Registered office

8 Backfields

Sheffield

S1 4HJ

Accountants

Seven Hills Accountants Limited

57 Burton Street

Sheffield

S6 2HH

St Matthew's House Limited

Trustees' annual report

For the 16 month period ended 31 December 2023

The Trustees, who are also Directors of the Company for the purposes of the Companies Act, present this Annual Report and Financial Statements of the company for the 16 month period ended 31 December 2023.

The Trustees confirm that the Annual Report and Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and with the Charities Act 2011.

Objectives and public benefit

The charity's objects are specifically restricted to such purposes which are exclusively charitable in the laws of England and Wales, and for the public benefit, as the trustees shall in their absolute discretion determine, and in particular (but not exclusively):

1. to benefit the inhabitants of the city of Sheffield, and in particular those inhabitants living in the ecclesiastical parishes in the diocese of Sheffield without distinction of sex, sexual orientation, race or of political, religious or other opinions by bringing together the statutory, voluntary and other organisations and inhabitants in a common effort to:
 - a. improve the physical, mental/emotional and spiritual well-being of inhabitants, particularly inhabitants living with mental health difficulties;
 - b. advance education (including religious, moral and physical education);and
 - c. provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life of the said inhabitants.

In furtherance of these objects but not otherwise, the trustees shall have power to:

2. establish or secure the establishment of a community centre;
3. maintain or manage or co-operate with any statutory authority in the maintenance and management of a community centre;

for activities promoted by the charity in furtherance of the above objects.

In setting the objectives and planning the activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and fee charging.

Trustees' annual report - continued
For the 16 month period ended 31 December 2023

Summary of main activities

The Board of Trustees are extremely grateful to the whole team who have developed and delivered our model over this period. Following on from the steps made last year a more robust operational model has been developed which responded to the challenges incurred from starting back-up from the pandemic.

A more commercial delivery that reduces the charity's dependency on public funding is proving to produce small and manageable growth. Although we are at the first stages of changing our structure it can be seen in the accounts that this approach is working, and we will continue to move to more independency.

The Art House continues to operate, serving the community with two Wellbeing projects of to support people who are vulnerable and living with mental health and addiction issues. A series of contracts with other like-minded local charities to use our resources and space has also started and an area we wish to grow.

During this year the Art House has:

- Implemented a new Operational Structure
- Founded and commenced the Anderson – Green Project (for those in Recovery)
- Introduced new income pathways
- Reduced its dependency on grants and funding
- Continued to develop its Business Model
- Continued in our Charitable Wellbeing Courses
- Built a stronger sense of community for all our customers and participants

The Finance Committee continues to meet monthly to assess and discuss issues as well as review our structures and opportunities for growth as well as stability.

The Pottery continues to be our main income pathway and in a measured and proportionate scheme grown slowly to test the ability to attract new markets and be able to service the growing number of customers. Pottery Open Studio members who pay a monthly subscription to our studios has increased, again in a controlled manner as we ensure that we can continue the growth of the department moving into the next financial year. Art courses have grown significantly whilst our exposure to employing staff in this area has been reduced. Art is delivered on a model using external tutors. We have been more discriminating about which courses should run with profitability in mind.

The Art Courses have been increased throughout the year and we have concentrated on only providing classes for the most popular ones rather than trying to gain new audiences. This has shown an increase in numbers and as we look for growth in this area, we will focus on linked progression courses to obtain retention of customers. Our first Summer School provided us with income in August which is traditionally a quieter period.

We collaborated with the local arts organisation 'Open Up' which we will continue to build an association with, as it brought a ground base that have never engaged with us before.

The board met bimonthly during this period. Its sub-committees with a focus on Finance and HR have met regularly in-between board meetings.

Summary of main activities (continued)

Particular areas focussed on by the board:

1. The board has worked with our Strategic Lead to oversee and improve the day to day working of the charity.
2. The board successfully managed to use our assets to maintain our work. We have maintained and increased our loan repayments.
3. The board sought to support staff and recognise their hard work in challenging times through initiating a new pay structure benchmarked by the Real Living Wage.
4. We worked towards increasing the hours of the Strategic Leader.
5. We have continued to maintain space for the parish church in its work and mission and ministry and we have sought build and develop our work in collaborating with the Parish Nursing Project.
6. We have launched a new website
7. We instituted an annual trustee away day to improve our governance

Achievements and Performance

- a) Moving from financial survival we feel that we have moved to growth. Although there have still been challenges the charity has continued to operate and pay all its creditors including its loan obligations. During this period we have overpaid our lenders reducing interest in doing so.
- b) Clearer financial reporting has enabled the board to take more proactive decisions for the future.
- c) Courses continued to prove popular and we have sought to adapt our offer
- d) As a charity we have maintained a wellbeing offering and increasing it through the Anderson-Green project.
- e) We secured almost £25,000 from government funding for to initiate a new project for those in recovery.
- f) We have invested in our plant including improving access and replacing the kitchen which has attracted new groups.
- g) We have grown the number of users of our subscription Open Studio increasing regular sustained income as we do so.
- h) We have focussed on our courses which deliver profitability
- i) We have maintained and formed relationships with other partners in the city. These range from our fellow St Matthew's partners; the parish nurses, and with figures from the arts scene like renowned Sheffield artist, Pete McKee.

St Matthew's House Limited

Trustees' annual report - continued

For the 16 month period ended 31 December 2023

Financial Review and Reserves Policy

The statement of financial activities is set in the financial statements. Income for the period amounted to £340,263 (2022: £195,183). Total expenditure amounted to £334,581 (2022: £262,020). Net movement in funds for the period was an income of £5,682 (2022: deficit of £66,837) resulting in net assets at the period-end of £969,251 (2022: £963,569)

The Trustees have considered the level of unrestricted funds, which they see as appropriate to hold in reserve and have concluded that this should be the equivalent of a minimum of three month's salary expenditure. The Trustees aim to have £21,000 to hand but have a longer-term goal of reaching £50,000 in reserve. The Trustees will keep the level of reserves under review and keep them inline with the wage bill.

As at 31 December 2023 free reserves (comprising net current assets less loans relating to property) were negative £42,941 (2022:negative £38,450).

The Trustees addressed the concerns of the financial position in our previous year and by working closely with our Strategic Director, after a very successful handover from our consultant, and the Finance Manager, the business plan we have developed has provided a much more manageable operation delivery with new income pathways which are measurable.

This has taken us away from being completely reliant on public funding and allowed us to start to put in the foundations of being a charity that can services its financial obligations independently, whilst focusing grant funding applications primarily on its charitable and community led projects.

We have continued to balance 'payroll' against 'development' and consider all elements of staffing the charity and its delivery of workshops and courses against the appropriated staffing route; external or payroll reimbursement. This has enabled us to manage our staffing liabilities and grow the services we provide by continuing to review profitability of courses and improving understanding of what our customers and clients want.

Engagement with our Marketing and Advertising has continued to grow, this is due to our offer expanding our customer and client target market as well as continuing to grow our relationship with 'Open Up'.

Our Finance Manager continues to review our expenditure to make savings with all our service and product providers. This is now part of the operational routine and reviewed with the Strategic Director

We recognise and are concerned by the negative Net Current Assets, however this includes £10,899 Parochial Church Council Creditor. St Matthew's Parochial Church Council is the Sole Member of the Charity and they do not intend to recall that debt except at such a time as the charity can afford to do so.

St Matthew's House Limited

Trustees' annual report - continued For the 16 month period ended 31 December 2023

Financial Review and Reserves Policy – continued

The Time to Pay agreement with HM Revenue and Customs which addressed the level of VAT owed with a payment scheme implemented and due to end August 2023 was fully repaid.

The historical 'Capital Goods Repayment Scheme' will be paid off in full by 31.12.25 and will significantly reduce our annual debt repayment, this will save us an outgoing of approximately £8,200

We have continued to service all debts to our creditors promptly and on time with no holiday payment agreements, and our debt burden is reducing each year.

We continue to set our budgets cautiously and review them monthly within the management team and on set agendas in our committees.

Future Plans

The Charity is in a stronger position both financially as well as operationally, with a much clearer vision and business model. We have continued to grow the number of participants using our facilities and we have developed exciting new initiatives such as the Anderson-Green project for those on a recovery journey from addiction. For the first time in several years, we have been able to invest in our plant and that has in turn increased usage.

Although we are in a stronger position, we recognise the challenges on a day-to-day basis as well as those ahead of us. But we have a clear, consistent and coherent plan to continue to increase revenue. The historic loans on the buildings here have continued to be paid down and have reduced significantly in this period, and the more commercial income streams increased giving us a more stable base.

We are very ably led by our Strategic Director, and by a committed and knowledgeable board, which we will seek to expand over the next 12 months. We have in recent months further worked on the participation of members of the Open Studio (those paying an annual subscription) and will soon be offering a gold standard membership of £250 a month – there are already several interested parties. We have reviewed our insurance providers and have found more competitive and comparable quotes. We are playing our full part in the regeneration of the area and the emerging arts quarter around us. Footfall into our gallery has increased by 30%. Our main goal for the year is to continue towards profitability. We believe that this is achievable and that the growth in the business is demonstrating that this is within reach. Our operational profitability is growing under the new model the Trustees approved which gives a clear plan to better serve our stakeholders, achieve our objectives and serve the common good whilst creating new income streams and delivering the charity's aims and objectives.

We have now increased our Strategic Lead's hours from three days to five days – the rationale behind this is about giving him more time for working on growth focussed factors in the business and overseeing smaller grant applications focused on delivering projects rather than covering operation costs as in the past; this is in-line with the new business plan.

St Matthew's House Limited

Trustees' annual report - continued For the 16 month period ended 31 December 2023

Risk management

The trustees have given consideration to the major risks to which the charity is exposed and has satisfied themselves that control systems and procedures are established in order to manage these risks. A risk register has been established and is reviewed annually.

Structure, governance and management

The charity is governed by its Memorandum and Articles of Association and is incorporated as a company limited by guarantee.

Members of the charity guarantee to contribute £10 in the event of winding up. The sole Member of the Charity is Parochial Church Council for the Ecclesiastical Parish of Sheffield St Matthew in the Diocese of Sheffield.

Governance

Trustees are appointed by the Parochial Church Council of St Matthews, Carver Street, subject to the rules laid down in the Memorandum and Articles of Association.

The term "Board" is defined as the meetings of the trustees. The Board's main duty is to manage the Charity, ensuring good governance and practice.

Once appointed, Trustees must make themselves aware of the terms of the Memorandum of St Matthew's House, familiarise themselves with the charity's property, policies, human resources, client needs and finances. They will ensure that the staff are well looked after, that investment of the charity funds complies with the terms of the Memorandum, and that the strategy and objectives of St Matthew's house are developed.

The Board will act exclusively in the best interest of the charity. Therefore, a Trustee must not allow a situation to arise where their duty as a Trustee conflicts with their own personal interest. They are required to manage the charity and to ensure that the objectives of the chair are met. The Board will spent time inducting new Trustees by informing them about:

- A brief history of the organisation;
- Strategic direction and mission statement;
- The structure of the organisation, committees, sub-committees, working groups, user groups, staff and volunteers, and the partnership with the mission of St Matthew's House; and
- The business plan of St Matthew's House.

The Board will ensure that new Trustees will know enough to be able to carry out their role, but not be overloaded or mislead them about the level of work involved.

All Trustees give their time freely and no remuneration or expenses were paid in the year.

St Matthew's House Limited

Trustees' annual report - continued

For the 16 month period ended 31 December 2023

Structure, governance and management (continued)

Structure and management

Day to day running of the charity is delegated to a management team led by a Strategic Director.

The management and finances are administered through the Board of Trustees which meets bi-monthly. There are two sub-committees of the board which focus on Finance and HR. They meet ahead of full board meetings and report to them.

Reports on finance, work to raise funds, HR and outcomes and outputs monitoring are received.

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

St Matthew's House Limited

**Trustees' annual report - continued
For the 16 month period ended 31 December 2023**

Trustees' responsibilities in relation to the financial statements (continued)

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The trustees declare that they have approved the Trustees' annual report above on 18 October 2024 and signed on behalf of the trustees by:



Print name: J E McQuater
Trustee

Independent examiner's report to the directors of St Matthew's House Limited ('the Company')

I report to the charity directors on my examination of the accounts of the Company for the period ended 31 December 2023.

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 statement

Since the Charity'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 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 Cochrane

Signed: _____

Susan Cochrane FCA DChA
Seven Hills Accountants Limited
57 Burton Street
Sheffield
S6 2HH

Date: 23/10/2024

St Matthew's House Limited
Statement of financial activities
(incorporating the income and expenditure account)
For the period ended 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Income from:							
Grants and donations	2	522	35,090	35,612	14,970	-	14,970
Charitable activities	3	207,383	-	207,383	128,082	-	128,082
Other trading activities	4	92,877	-	92,877	50,222	-	50,222
Room rental income		3,446	-	3,446	1,460	-	1,460
Investments - bank interest		945	-	945	449	-	449
Total income		305,173	35,090	340,263	195,183	-	195,183
Expenditure on:							
Raising Funds	5	2,486	-	2,486	1,568	-	1,568
Charitable activities	6	218,892	41,692	260,584	192,536	7,790	200,326
Trading and other	7	71,511	-	71,511	60,126	-	60,126
		292,889	41,692	334,581	254,230	7,790	262,020
Net income/(expenditure)		12,284	(6,602)	5,682	(59,047)	(7,790)	(66,837)
Fund transfers	16	-	-	-	-	-	-
Net movement in funds		12,284	(6,602)	5,682	(59,047)	(7,790)	(66,837)
Total funds brought forward		52,176	911,393	963,569	111,223	919,183	1,030,406
Total funds carried forward		64,460	904,791	969,251	52,176	911,393	963,569

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

St Matthew's House Limited
Balance Sheet
As at 31 December 2023

	Notes	Total 2023 £	Total 2022 £
Fixed assets			
Tangible assets	11	<u>1,280,400</u>	<u>1,295,585</u>
Current assets			
Stock	12	1,258	-
Debtors	13	10,534	3,697
Cash at bank and in hand		37,070	42,834
Total current assets		<u>48,862</u>	<u>46,531</u>
Creditors: amounts falling due within one year	14	(105,536)	(98,178)
Net current assets		<u>(56,674)</u>	<u>(51,647)</u>
Total assets less current liabilities		<u>1,223,726</u>	<u>1,243,938</u>
Creditors: amounts falling due after more than one year	15	(254,475)	(280,369)
Total net assets		<u>969,251</u>	<u>963,569</u>
Represented by:			
Funds of the Charity			
Unrestricted funds		64,460	52,176
Restricted income funds	16	904,791	911,393
	17	<u>969,251</u>	<u>963,569</u>

For the year ending 31 December 2023 the company was entitled to exemption from audit under section 477 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 director's acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

Approved by the Board of Trustees on 18 October 2024 and signed on their behalf by:



Print Name: J E McQuater
Trustee

1 Accounting policies

(a) General

St Matthew's House Limited is a charitable company in the United Kingdom limited by guarantee. In the event that the charity is wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and with the Charities Act 2011.

St Matthew's House Limited meets the definition of a public benefit entity under FRS 102. The financial statements are prepared under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and are rounded to

(b) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

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

(c) Donated services and facilities

Donated professional services and donated 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. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated 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

(d) Expenditure and irrecoverable VAT

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.

All expenditure is accounted for on an accruals basis, including irrecoverable VAT, and has been listed under headings that aggregate all the costs related to that activity.

Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expense headings on the basis of the time spent.

Governance costs are those in connection with the management of the charity, organisational administration and compliance with the

Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources.

(e) Tangible fixed assets

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

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

Fixtures, fittings & equipment	20% straight line
Computers	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

(f) Debtors

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

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

(h) Creditors

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.

1 Accounting policies (continued)

(i) 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.

(j) Pension obligations

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

(k) Employee benefits

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

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

(l) Taxation

As a charity, the organisation is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its charitable objects.

(m) Leases

Rental payable and receivable under operation leases are charged to the SOFA on a straight line basis over the period of the lease.

(n) Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the organisation without further specified purpose

Designated funds are funds set aside at the discretion of the trustees for a specific project.

Restricted funds are to be used for specific purposes as laid down by the funder.

(o) Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going

2 Income from grants and donations

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
<u>Government grants:</u>						
Coronavirus Job Retention Scheme	-	-	-	1,240	-	1,240
Sheffield City Council	-	-	-	13,376	-	13,376
<u>Grant income:</u>						
The J G Graves Charitable Trust	-	3,000	3,000	-	-	-
St Agatha's Community Kick Start Fund	-	1,300	1,300	-	-	-
Sheffield Town Trust	-	5,000	5,000	-	-	-
South Yorkshire Housing Association	-	24,790	24,790	-	-	-
Donations	522	1,000	1,522	354	-	354
	<u>522</u>	<u>35,090</u>	<u>35,612</u>	<u>14,970</u>	<u>-</u>	<u>14,970</u>

St Matthew's House Limited
Notes to the Accounts (continued)
For the period ended 31 December 2023

3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
					-	
Pottery	104,489	-	104,489	82,632	-	82,632
Art	65,920	-	65,920	45,450	-	45,450
Other	36,974	-	36,974	-	-	-
	207,383	-	207,383	128,082	-	128,082

4 Income from other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Pottery	11,425	-	11,425	45,465	-	45,465
Art	70,162	-	70,162	-	-	-
Other	11,290	-	11,290	4,757	-	4,757
	92,877	-	92,877	50,222	-	50,222

5 Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Grant processing salary costs	2,486	-	2,486	1,568	-	1,568
	2,486	-	2,486	1,568	-	1,568

6 Expenditure on charitable activities

Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Pottery & art						
Pottery & art materials	8,409	5,645	14,054	7,260	-	7,260
Well-being expenses	680	18,355	19,035	1,731	-	1,731
Tutor fees	39,299	679	39,978	18,296	-	18,296
Wages and salaries	8 36,930	4,296	41,226	52,678	-	52,678
Support costs	9 133,243	2,336	135,579	112,140	-	112,140
Depreciation	331	10,381	10,712	431	7,790	8,221
	218,892	41,692	260,584	192,536	7,790	200,326

St Matthew's House Limited
Notes to the Accounts (continued)
For the period ended 31 December 2023

7 Expenditure on trading activities

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Pottery & art							
Pottery & art materials		4,011	-	4,011	1,535	-	1,535
Wages and salaries	8	15,674	-	15,674	18,352	-	18,352
Support costs	9	47,354	-	47,354	36,807	-	36,807
Depreciation		4,161	-	4,161	3,432	-	3,432
Loss on disposal of fixed asset		311	-	311			
		71,511	-	71,511	60,126	-	60,126

8 Staff Costs

	2023 £	2022 £
Wages and salaries	105,882	92,522
Employer's National Insurance	5,801	5,366
Employer's allowance	(5,557)	(3,674)
Employer's pension contributions	1,689	1,609
	107,815	95,823
Freelance staff	20,891	9,054
	128,706	104,877

No employee received emoluments of more than £60,000.

The average monthly number of paid employees during the year was 6 (2022: 7).

9 Analysis of support costs

The charity apportions the support costs between the charitable and trading activities undertaken.

	Note	Charitable Activities £	Trading Activities £	Total 2023 £	Charitable Activities £	Trading Activities £	Total 2022 £
Pottery & art							
Wages and salaries	8	49,232	20,088	69,320	24,734	9,113	33,847
Office costs		41,514	16,126	57,640	37,549	13,009	50,558
Miscellaneous		9,367	3,565	12,932	9,119	6,183	15,302
Loan interest		7,655	2,973	10,628	9,572	3,316	12,888
Bank charges		3,637	1,413	5,050	109	38	147
Irrecoverable VAT		15,963	-	15,963	16,197	-	16,197
Governance		8,211	3,189	11,400	14,860	5,148	20,008
		135,579	47,354	182,933	112,140	36,807	148,947

Charitable activities support costs total £133,243 of which £nil (2022: £nil) relates to restricted funds.

Trading activities support costs total £47,354 of which £nil (2022: £nil) relates to restricted funds.

10 Fees payable to Independent examiner's organisation

	2023	2022
	£	£
Independent examination fee (included in Governance Costs)	1,375	825

11 Tangible fixed assets

	Long Leasehold Property £	Fixtures, fittings and equipment £	Total £
Cost or Valuation			
As at 1 September 2022	1,383,710	33,165	1,416,875
Additions	-	-	-
Disposals	-	(752)	(752)
As at 31 December 2023	1,383,710	32,413	1,416,123
Depreciation			
As at 1 September 2022	88,558	32,732	121,290
Charge this period	14,752	121	14,873
Eliminate on disposal	-	(440)	(440)
As at 31 December 2023	103,310	32,413	135,723
Net Book Value			
As at 31 December 2023	1,280,400	-	1,280,400
As at 31 August 2022	1,295,152	433	1,295,585

12 Stock

	2023	2022
	£	£
Stocks held at the year end	1,258	-
	1,258	-

13 Debtors

	2023	2022
	£	£
Trade debtors	1,531	996
Prepayments and accrued income	9,003	2,701
	10,534	3,697

14 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	6,325	9,845
Sundry creditors & deposits	1,117	10,263
PAYE	2,579	698
Accruals	6,392	11,301
Prepaid trading income	38,739	18,981
St Matthews PCC	10,899	10,899
Pension	530	847
VAT	20,104	17,202
Loans	18,851	18,142
	105,536	98,178

15 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank Loans	130,575	145,819
Other Loan	123,900	134,550
	<u>254,475</u>	<u>280,369</u>
Financial instruments		
Loans are repayable as follows:		
Within one year	18,851	18,142
Between one to two years	19,416	18,709
Between two to five years	61,860	60,052
Over five years	173,199	201,608
	<u>273,326</u>	<u>298,511</u>

Financial instruments measured at amortised cost comprise of a £101,043 (2022: £108,913) bank loan provided by Charity Bank which has a 6.5% interest rate, a Bounce Back Loan of £40,883 (2022: £47,547) which had a interest rate of 2.5% and an other loan of £142,050 (2022: £142,050) from St Vincent House which had a 0% interest rate.

16 Restricted funds

	Brought forward	Income	Expenditure	Transfers	Carried forward
	£	£	£	£	£
Anderson Green Project	-	27,090	(23,311)	-	3,779
Sheffield Town Trust	-	5,000	(5,000)	-	-
J G Graves Charitable Trust	-	3,000	(3,000)	-	-
Restricted Fixed Asset Fund					
Property Reserve	911,393	-	(10,381)	-	901,012
	<u>911,393</u>	<u>35,090</u>	<u>(41,692)</u>	<u>-</u>	<u>904,791</u>

Anderson Green Project

The Anderson Green project is a new Wellbeing Initiative providing a Friday night café and Art Class with a homemade free hot meal, art and peer support for those recovering from addictions.

Sheffield Town Trust

Funding from Sheffield Town Trust to help fund a new print room, meeting room, gallery and reception area.

J G Graves Charitable Trust

Funding for a for a new 60L Ecotop kiln for The Art House and the associated Kiln furniture.

Property Reserve

The property reserve reflects the net book value of leasehold property financed from restricted funds.

Prior year comparative

	<i>Brought forward</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Carried forward</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Restricted Fixed Asset Fund					
Property Reserve	919,183	-	(7,790)	-	911,393
	<u>919,183</u>	<u>-</u>	<u>(7,790)</u>	<u>-</u>	<u>911,393</u>

St Matthew's House Limited
Notes to the Accounts (continued)
For the period ended 31 December 2023

17 Net assets by fund

	General Fund £	Restricted Funds £	Total 2023 £
Tangible fixed assets	379,388	901,012	1,280,400
Net current assets	(56,674)	-	(56,674)
Creditors of more than one year	(254,475)	-	(254,475)
	68,239	901,012	969,251
<i>Prior year comparative</i>	<i>General Fund £</i>	<i>Restricted Funds £</i>	<i>Total 2022 £</i>
<i>Tangible fixed assets</i>	<i>384,192</i>	<i>911,393</i>	<i>1,295,585</i>
<i>Net current assets</i>	<i>(51,647)</i>	<i>-</i>	<i>(51,647)</i>
<i>Creditors of more than one year</i>	<i>(280,369)</i>	<i>-</i>	<i>(280,369)</i>
	52,176	911,393	963,569

18 Trustee remuneration and expenses, and the cost of key management personnel

The trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil) neither were they reimbursed expenses during the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

The key management personnel of the charity comprise the strategic director and the trustees. The total employee benefits of the key management personnel of the charity were £35,519 (2022: £10,604).

19 Related party transactions

No other transactions have taken place with related parties during the year, other than those included in note 18.

ST MATTHEW'S HOUSE LIMITED

England & Wales - Charity number 1146648

Accounts

Registered Charity Number: 1146648
Company number: 07752686

St Matthew's House Limited

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

For the year ended 31 August 2022

St Matthew's House Limited

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St Matthew's House Limited

Legal and administrative information

Charity number
1146648

Company number
07752686

Other names the charity is known by:
The Art House

Trustees

J McQuater

S Linskill

The Rev'd G Naylor

The Rev'd W H Thomas

S Smith

G R Millar

A C Knowles

C A Gracey

Chairman

Vice Chairman (resigned 11/11/2022)

(resigned 13/11/2022)

Company Secretary

J M Hanks

Registered office

8 Backfields

Sheffield

S1 4HJ

Independent Examiner

Susan Cochrane, FCA

Seven Hills Accountants Limited

57 Burton Street

Sheffield

S6 2HH

St Matthew's House Limited

Trustees' annual report For the year ended 31 August 2022

The Trustees, who are also Directors of the Company for the purposes of the Companies Act, present this Annual Report and Financial Statements of the company for the year ended 31 August 2022.

The Trustees confirm that the Annual Report and Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and with the Charities Act 2011.

Objectives and public benefit

The charity's objects are specifically restricted to such purposes which are exclusively charitable in the laws of England and Wales, and for the public benefit, as the trustees shall in their absolute discretion determine, and in particular (but not exclusively):

1. to benefit the inhabitants of the city of Sheffield, and in particular those inhabitants living in the ecclesiastical parishes in the diocese of Sheffield without distinction of sex, sexual orientation, race or of political, religious or other opinions by bringing together the statutory, voluntary and other organisations and inhabitants in a common effort to:
 - a. improve the physical, mental/emotional and spiritual well-being of inhabitants, particularly inhabitants living with mental health difficulties;
 - b. advance education (including religious, moral and physical education);and
 - c. provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life of the said inhabitants.

In furtherance of these objects but not otherwise, the trustees shall have power to:

2. establish or secure the establishment of a community centre;
3. maintain or manage or co-operate with any statutory authority in the maintenance and management of a community centre;

for activities promoted by the charity in furtherance of the above objects.

In setting the objectives and planning the activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and fee charging.

St Matthew's House Limited

Trustees' annual report - continued For the year ended 31 August 2022

Summary of main activities

The Board of Trustees are extremely grateful and proud of the marvellous team who work at the Art House. Responding with resilience the Art House continues to operate, serving the community with a programme of commercial art and pottery activities and a wellbeing offer to support people who are vulnerable and living with mental health issues.

During this reporting year the Art House has adapted and changed to a new post-covid market and this has led to changes in the business and a sharpening of our efforts to maintain and grow the business and charity. As part of this we have:

- successfully recruited a new strategic lead in succession to our former interim leadership;
- reviewed the Art House's business model and implemented changes that simplified the structure and operations;
- continued to develop a financially sustainable model for the Art House's operations in a new context of post-covid reductions in fundraising.

Jamie Brown as finance officer has continued to improve the way in which staff and trustees receive information regarding our finances. He works closely with staff to reduce costs and change suppliers where possible, and with trustees to flag up any concerns and forward plan. The Finance Committee continues to meet monthly to assess and discuss pressing issues concerning charity finances.

The pottery continued to be popular but did see a downturn in sales before a more targeted approach to marketing was initiated. The improvement in financial reporting in "real time" has ensured that we can see problems on the horizon and make interventions when necessary. Sales have recovered now and there has been a growth in new participants using the Art House for the first time and loyal customers returning.

Pottery Open Studio members pay a monthly subscription to use our facilities and are a constant source of income and form a significant contribution to our community. We have sought to support this community further and we are growing the membership.

Art courses have seen some significant sales whilst our exposure to employing staff in this area has been reduced. Art is delivered on a model using external tutors and we have been more selective in the art class programme we deliver, providing a more focussed offer based on class numbers and income generated.

Ben, our new strategic lead has used his considerable skills at networking and following leads to engage with new partners. He has built a relationship with the chamber of commerce and we can now utilise their networks and services. Ben has been instrumental in attracting artists to exhibit at the Art House that has led to new people visiting us and thereby building our relational fringe. The exhibitions are raising the profile of our work and increasing footfall and revenue.

We have continued to provide a specific Wellbeing offer, that is well received. We decided that this too would be met by external tutors, rather than employing a manager in house. This led to considerable savings without affecting the value to participants. Our offer is constantly under review, and we have complimented our offer by using the facilities in conjunction with partners such as St Matthew's Church and the Parish Nursing Project.

St Matthew's House Limited

Trustees' annual report - continued For the year ended 31 August 2022

Summary of main activities (continued)

Our former Wellbeing Manager voluntarily left employment with us in the summer and has since been one of the two external tutors running courses for Wellbeing students.

The board met bimonthly during this period. Its sub-committees with a focus on Finance and HR have met regularly in-between board meetings.

Particular areas focussed on by the board:

1. The board worked with Andrew and then Ben to hone our offer and implement our high level statements.
2. The board successfully managed to use our assets to maintain our work. We have had to utilise our working reserves at certain points during the year to manage cash flow but have a clear plan for their replenishment. We have maintained our loan repayments and have used our COVID government loan to pay off £50,000 of a more expensive historic loan thus saving the several thousands of pounds in interest repayments.
3. The board sought to support staff and recognise their hard work in challenging times through a generous taxable bonus at Christmas.
4. The board has sought to draw in skills of experts beyond the board particularly in the area of the law where Mr Neil Logan-Green of K&L Gates has advised us pro bono.
5. We have continued to maintain space for the parish church in its work and mission and ministry and we have sought to build and develop our work in collaborating with the Parish Nursing Project.

Achievements and Performance

- a) Financial survival and an improving financial outlook despite short term difficulties in 2022.
- b) Clearer financial reporting has enabled the board to take more proactive decisions for the future.
- c) Courses continued to prove popular and we have sought to adapt our offer.
- d) As a charity we have maintained a wellbeing offering.
- e) There has been a rationalisation of staffing particularly in the area of wellbeing.
- f) We have secured the employment of a Strategic Lead who has built on past successes and leads with confidence, skill and joy.
- g) We have adapted to a changed post-covid grant funding and commercial environment.
- h) We have maintained the vast majority of our Open Studio subscriptions and numbers are growing again.

St Matthew's House Limited

Trustees' annual report - continued For the year ended 31 August 2022

Postscript

Writing in March 2023 the Charity seems in a stronger position on a number of levels. The transition from interim strategic lead Andrew Seaton to our new permanent strategic lead Ben Clowes in March 2022 went well and although the charity faced combined headwinds of a more difficult grant-finding environment and increasing energy costs we feel that we are through the worst of it. There has been some restructuring and simplification of the business and we feel we are in a better place than we have been in recent years. Going forward we realise that we will have to continue to grow the business rather than rely on grants to continue our work. This will mean that we continue to be resilient in a changing market. We are excited about the further areas in which we can develop to grow the business and serve our local area. In the next few months much of the redevelopment of the city centre around us will be drawing to completion. This will significantly enhance our position in the city and our local environment. We have a committed, dynamic and talented team that is working very well together under Ben's leadership.

Financial Review and Reserves Policy

The statement of financial activities is set in the financial statements. Income for the year amounted to £195,183 (2021: £293,256). Total expenditure amounted to £262,020 (2021: £305,611). Net movement in funds for the year was a deficit of £66,837 (2021: deficit of £12,355) resulting in net assets at the year-end of £963,569 (2021: £1,030,406)

The Trustees have considered the level of unrestricted funds which they see as appropriate to hold in reserve and have concluded that this should be the equivalent of a minimum of three month's salary expenditure. The Trustees have therefore set reserves at around £50,000. The Trustees will keep the level of reserves under review and monitor the level of reserves throughout the coming year.

As at 31 August 2022 free reserves (comprising net current assets less loans relating to property) were negative £38,450 (2021: £85,982).

The trustees have considered the financial position at the year end and recognises concerns about the tough financial situation we have found ourselves in. The trustees and key management have taken action to address these concerns over the past year and are continuing to respond and make changes for the good of the charity. As stated in the charity's last accounts an external consultant was appointed using funding from Covid 19 grants. With his proven business background and strong leadership, the consultant was able, in partnership with the Board, to develop and strengthen the operation that ensured that the Charity was on a more solid footing to handover to the new Strategic Director."

This new position, along with the Finance Manager who was put in place in 2021, has resulted in the Trustees being able to build and define a business plan that is realistic to the size of its operation and its achievable income whilst enhancing the charitable aims and objectives.

St Matthew's House Limited

Trustees' annual report - continued For the year ended 31 August 2022

Financial Review and Reserves Policy (continued)

Since the Financial Year end of 31st August 2022 there have been changes to the staffing structure which has enabled us to maintain the opening times of the business whilst making better use of staff time and enabling more customers to use the building without incurring any additional costs. Some services have been outsourced to maximise the output of work whilst reducing the charity payroll liability.

Our marketing activity has increased which is showing a direct result in the number of courses being sold. In April 2023 we participated in 'Open Up' which attracted many new visitors who had never heard of us before. We are gradually increasing the capacity of our subscription membership which is delivering regular and reliable income. Confidence in the restructure and delivery through committee, along with the financial data obtained and targets already achieved enables the Board to continue with this plan of growth. The staff team at the Art House are actively engaging in developing the Charity and are proactively making suggestions for improvements to the Art House and recommending new streams of income.

Our Finance Manager carries out ongoing reviews of our expenditure to ensure we are only spending on essential products and services and works with the Strategic Director to review profitability of courses.

Whilst there was a significant reduction in income in the 2021-2022 Financial Year this is due to the Covid-19 Grants no longer being available whereas we benefitted significantly in the previous year from all the recovery grants that were available. This artificially inflated our income but it did allow us time and space to restructure for increasing the income and lowering outgoings. In addition to this some of the expenditure incurred in 2021-2022 was covered by the Covid-19 grants in 2021.

We recognise and are concerned by the negative Net Current Assets, however this includes £10,899 Parochial Church Council Creditor. St Matthew's Parochial Church Council is the Sole Member of the Charity and they do not intend to recall that debt except at such a time as the charity can afford to. We have already entered into a Time to Pay arrangement with HM Revenue and Customs to address the level of VAT owed and have successfully been meeting the payment schedule which is due to be fully repaid by August 2023. The charity also continues to have the support of its principal creditors and loan providers to be able to adapt to any changes in the charity's circumstances. No payments to creditors have been missed and no loan payment holidays have been taken. This is in marked contrast to previous years and demonstrates real progress. This year has still been a challenge but we do feel we are in a more resilient position compared to previous years. During the pandemic we received a £50,000 government bounce back loan which we did not need to use. In the end rather than repay the loan we have now used it to pay off £50,000 worth of debt from one of our other lenders and have thus significantly reduced our overall debt burden at a much lower interest rate. By doing so we have saved the charity tens of thousands of pounds in the coming years as the government loan is repaid at just 2%.

Our budget is cautious for the next 12 months but we are sure that with progress made and with the loss narrowing we can be in profitability by the end of the calendar year 2023.

St Matthew's House Limited

Trustees' annual report - continued For the year ended 31 August 2022

Risk management

The trustees have given consideration to the major risks to which the charity is exposed and has satisfied themselves that control systems and procedures are established in order to manage these risks. A risk register has been established and is reviewed annually.

Structure, governance and management

The charity is governed by its Memorandum and Articles of Association and is incorporated as a company limited by guarantee.

Members of the charity guarantee to contribute £10 in the event of winding up. The sole Member of the Charity is Parochial Church Council for the Ecclesiastical Parish of Sheffield St Matthew in the Diocese of Sheffield.

Governance

Trustees are appointed by the Parochial Church Council of St Matthews, Carver Street, subject to the rules laid down in the Memorandum and Articles of Association.

The term "Board" is defined as the meetings of the trustees. The Board's main duty is to manage the Charity, ensuring good governance and practice.

Once appointed, Trustees must make themselves aware of the terms of the Memorandum of St Matthew's House, familiarise themselves with the charity's property, policies, human resources, client needs and finances. They will ensure that the staff are well looked after, that investment of the charity funds complies with the terms of the Memorandum, and that the strategy and objectives of St Matthew's house are developed.

The Board will act exclusively in the best interest of the charity. Therefore, a Trustee must not allow a situation to arise where their duty as a Trustee conflicts with their own personal interest. They are required to manage the charity and to ensure that the objectives of the chair are met. The Board will spent time inducting new Trustees by informing them about:

- A brief history of the organisation;
- Strategic direction and mission statement;
- The structure of the organisation, committees, sub-committees, working groups, user groups, staff and volunteers, and the partnership with the mission of St Matthew's House; and
- The business plan of St Matthew's House.

The Board will ensure that new Trustees will know enough to be able to carry out their role, but not be overloaded or mislead them about the level of work involved.

All Trustees give their time freely and no remuneration or expenses were paid in the year

St Matthew's House Limited

**Trustees' annual report - continued
For the year ended 31 August 2022**

Structure and management

Day to day running of the charity is delegated to a management team led by a Strategic Director.

The management and finances are administered through the Board of Trustees which meets bi-monthly. There are two sub-committees of the board which focus on Finance and HR. They meet ahead of full board meetings and report to them.

Reports on finance, work to raise funds, HR and outcomes and outputs monitoring are received.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The trustees declare that they have approved the Trustees' annual report above on 23/5/23 and signed on behalf of the trustees by:



Print name:

The Rev'd Grant Lambert-Naylor
Trustee
Chairman

Independent examiner's report to the directors of St Matthew's House Limited ('the Company')

I report to the charity directors on my examination of the accounts of the Company for the year ended 31 August 2022.

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 statement

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 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.



Signed: _____
Susan Cochrane FCA
Seven Hills Accountants Limited
57 Burton Street
Sheffield
S6 2HH

Date: 25/05/2023

St Matthew's House Limited
Statement of financial activities
(incorporating the income and expenditure account)
For the year ended 31 August 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Income from:							
Grants and donations	2	14,970	-	14,970	212,588	-	212,588
Charitable activities	3	128,082	-	128,082	52,426	-	52,426
Other trading activities	4	50,222	-	50,222	27,827	-	27,827
Room rental income		1,460	-	1,460	163	-	163
Investments - bank interest		449	-	449	252	-	252
Total income		195,183	-	195,183	293,256	-	293,256
Expenditure on:							
Raising Funds	5	1,568	-	1,568	5,442	-	5,442
Charitable activities	6	192,536	7,790	200,326	193,482	27,428	220,910
Trading and other	7	60,126	-	60,126	79,259	-	79,259
		254,230	7,790	262,020	278,183	27,428	305,611
Net income/(expenditure)		(59,047)	(7,790)	(66,837)	15,073	(27,428)	(12,355)
Fund transfers	16	-	-	-	-	-	-
Net movement in funds		(59,047)	(7,790)	(66,837)	15,073	(27,428)	(12,355)
Total funds brought forward		111,223	919,183	1,030,406	96,150	946,611	1,042,761
Total funds carried forward		52,176	911,393	963,569	111,223	919,183	1,030,406

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

St Matthew's House Limited
Balance Sheet
As at 31 August 2022

	Notes	Total 2022 £	Total 2021 £
Fixed assets			
Tangible assets	11	<u>1,295,585</u>	<u>1,307,238</u>
Current assets			
Stock	12	-	1,850
Debtors	13	3,697	9,002
Cash at bank and in hand		42,834	143,285
Total current assets		<u>46,531</u>	<u>154,137</u>
Creditors: amounts falling due within one year	14	(98,178)	(83,461)
Net current assets		<u>(51,647)</u>	<u>70,676</u>
Total assets less current liabilities		<u>1,243,938</u>	<u>1,377,914</u>
Creditors: amounts falling due after more than one year	15	(280,369)	(347,508)
Total net assets		<u><u>963,569</u></u>	<u><u>1,030,406</u></u>
Represented by:			
Funds of the Charity			
Unrestricted funds		52,176	111,223
Restricted income funds	16	911,393	919,183
	17	<u>963,569</u>	<u>1,030,406</u>

For the year ending 31 August 2022 the company was entitled to exemption from audit under section 477 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 director's acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

Approved by the Board of Trustees on 23/5/23 and signed on their behalf by:



Print Name: The Rev'd Grant Lambert Naylor
 Trustee Chairman

St Matthew's House Limited
Notes to the Accounts
For the year ended 31 August 2022

1 Accounting policies

(a) General

St Matthew's House Limited is a charitable company in the United Kingdom limited by guarantee. In the event that the charity is wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and with the Charities Act 2011.

St Matthew's House Limited meets the definition of a public benefit entity under FRS 102. The financial statements are prepared under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and are rounded to

(b) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

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

(c) Donated services and facilities

Donated professional services and donated 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. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated 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

(d) Expenditure and irrecoverable VAT

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.

All expenditure is accounted for on an accruals basis, including irrecoverable VAT, and has been listed under headings that aggregate all the costs related to that activity.

Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expense headings on the basis of the time spent.

Governance costs are those in connection with the management of the charity, organisational administration and compliance with the

Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources.

(e) Tangible fixed assets

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

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

Fixtures, fittings & equipment	20% straight line
Computers	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

(f) Debtors

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

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

(h) Creditors

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.

St Matthew's House Limited
Notes to the Accounts (continued)
For the year ended 31 August 2022

1 Accounting policies (continued)

(i) 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.

(j) Pension obligations

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

(k) Employee benefits

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

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

(l) Taxation

As a charity, the organisation is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

(m) Leases

Rental payable and receivable under operation leases are charged to the SOFA on a straight line basis over the period of the lease.

(n) Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the organisation without further specified

Designated funds are funds set aside at the discretion of the trustees for a specific project.

Restricted funds are to be used for specific purposes as laid down by the funder.

(o) Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going

2 Income from grants and donations

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
<u>Government grants:</u>						
Coronavirus Job Retention Scheme	1,240	-	1,240	39,709	-	39,709
Sheffield City Council	13,376	-	13,376	29,672	-	29,672
<u>Grant income:</u>						
Baring Foundation	-	-	-	12,000	-	12,000
Postcode Neighbourhood Trust	-	-	-	20,000	-	20,000
Sheffield Town Trust	-	-	-	2,500	-	2,500
Arts Council England -Culture Recovery Fund	-	-	-	100,000	-	100,000
Donations	354	-	354	8,707	-	8,707
	14,970	-	14,970	212,588	-	212,588

St Matthew's House Limited
Notes to the Accounts (continued)
For the year ended 31 August 2022

3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Pottery	82,632	-	82,632	32,124	-	32,124
Art	45,450	-	45,450	18,464	-	18,464
Other	-	-	-	1,838	-	1,838
	128,082	-	128,082	52,426	-	52,426

4 Income from other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Pottery	45,465	-	45,465	22,444	-	22,444
Art	-	-	-	40	-	40
Café	-	-	-	598	-	598
Other	4,757	-	4,757	4,745	-	4,745
	50,222	-	50,222	27,827	-	27,827

5 Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Grant processing costs	1,568	-	1,568	5,442	-	5,442
	1,568	-	1,568	5,442	-	5,442

6 Expenditure on charitable activities

Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Pottery & art						
Pottery & art materials	7,260	-	7,260	3,040	-	3,040
Well-being expenses	1,731	-	1,731	1,020	-	1,020
Art council costs	-	-	-	-	12,260	12,260
Tutor fees	18,296	-	18,296	4,457	2,508	6,965
Wages and salaries	8 52,678	-	52,678	34,773	4,870	39,643
Support costs	9 112,140	-	112,140	147,940	-	147,940
Depreciation	431	7,790	8,221	2,252	7,790	10,042
	192,536	7,790	200,326	193,482	27,428	220,910

7 Expenditure on trading activities

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Pottery & art							
Pottery & art materials		1,535	-	1,535	1,296	-	1,296
Tutor fees		-	-	-	4,867	-	4,867
Wages and salaries	8	18,352	-	18,352	27,698	-	27,698
Support costs	9	36,807	-	36,807	20,626	-	20,626
Depreciation		3,432	-	3,432	1,925	-	1,925
		<u>60,126</u>	<u>-</u>	<u>60,126</u>	<u>56,412</u>	<u>-</u>	<u>56,412</u>
Café							
Café equipment		-	-	-	308	-	308
Wages and salaries	8	-	-	-	22,233	-	22,233
Support costs	9	-	-	-	306	-	306
		<u>-</u>	<u>-</u>	<u>-</u>	<u>22,847</u>	<u>-</u>	<u>22,847</u>
		<u>60,126</u>	<u>-</u>	<u>60,126</u>	<u>79,259</u>	<u>-</u>	<u>79,259</u>

8 Staff Costs

	2022 £	2021 £
Wages and salaries	92,522	133,741
Employer's National Insurance	5,366	7,684
Employer's allowance	(3,674)	(4,017)
Employer's pension contributions	<u>1,609</u>	<u>2,201</u>
	95,823	139,609
Agency staff	9,054	3,703
	<u>104,877</u>	<u>143,312</u>

No employee received emoluments of more than £60,000.

The average monthly number of paid employees during the year was 7 (2021: 15).

9 Analysis of support costs

The charity apportions the support costs between the charitable and trading activities undertaken.

	Charitable Activities £	Trading Activities £	Total 2022 £	Charitable Activities £	Trading Activities £	Total 2021 £
Pottery & art						
Wages and salaries	24,734	9,113	33,847	44,884	5,151	50,035
Office costs	37,549	13,009	50,558	35,945	3,679	39,624
Miscellaneous	9,119	6,183	15,302	11,336	7,762	19,098
Loan interest	9,572	3,316	12,888	10,021	1,033	11,054
Bank charges	109	38	147	2,058	203	2,261
Irrecoverable VAT	16,197	-	16,197	16,360	-	16,360
Governance	14,860	5,148	20,008	27,336	2,798	30,134
	<u>112,140</u>	<u>36,807</u>	<u>148,947</u>	<u>147,940</u>	<u>20,626</u>	<u>168,566</u>
Café						
Miscellaneous	-	-	-	-	306	306
	<u>112,140</u>	<u>36,807</u>	<u>148,947</u>	<u>147,940</u>	<u>20,932</u>	<u>168,872</u>

Charitable activities support costs total £112,140 of which £nil (2021: £nil) relates to restricted funds.

Trading activities support costs total £36,807 of which £nil (2021: £nil) relates to restricted funds.

St Matthew's House Limited
Notes to the Accounts (continued)
For the year ended 31 August 2022

10 Fees payable to Independent examiner's organisation

	2022	2021
	£	£
Independent examination fee (included in Governance Costs)	825	1,050

11 Tangible fixed assets

	Long Leasehold Property £	Fixtures, fittings and equipment £	Total £
Cost or Valuation			
As at 1 September 2021	1,383,710	33,165	1,416,875
As at 31 August 2022	1,383,710	33,165	1,416,875
Depreciation			
As at 1 September 2021	77,488	32,149	109,637
Charge this period	11,070	583	11,653
As at 31 August 2022	88,558	32,732	121,290
Net Book Value			
As at 31 August 2022	1,295,152	433	1,295,585
As at 31 August 2021	1,306,222	1,016	1,307,238

12 Stock

	2022	2021
	£	£
Stocks held at the year end	-	1,850
	-	1,850

13 Debtors

	2022	2021
	£	£
Trade debtors	996	4,540
Prepayments and accrued income	2,701	4,462
	3,697	9,002

14 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	9,845	8,979
Sundry creditors & deposits	10,263	6,058
PAYE	698	475
Accruals	11,301	4,027
Prepaid trading income	18,981	24,903
St Matthews PCC	10,899	10,899
Pension	847	306
VAT	17,202	9,365
Loans	18,142	18,449
	98,178	83,461

St Matthew's House Limited
Notes to the Accounts (continued)
For the year ended 31 August 2022

15 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank Loans	145,819	205,008
Other Loan	134,550	142,500
	280,369	347,508
Financial instruments		
Loans are repayable as follows:		
Within one year	18,142	18,449
Between one to two years	18,709	24,894
Between two to five years	60,052	96,546
Over five years	201,608	226,068
	298,511	365,957

Financial instruments measured at amortised cost comprise of a £108,913 (2021: £165,957) bank loan provided by Charity Bank which has a 6.5% interest rate, a Bounce Back Loan of £47,547 (2021: £50,000) which had a interest rate of 2.5% and an other loan of £142,050 (2021: £150,000) from St Vincent House which had a 0% interest rate.

16 Restricted funds

	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
Restricted Fixed Asset Fund					
Property Reserve:	919,183	-	(7,790)	-	911,393
	919,183	-	(7,790)	-	911,393

Property Reserve:

The property reserve reflects the net book value of leasehold property financed from restricted funds.

<i>Prior year comparative</i>	<i>Brought forward £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Carried forward £</i>
Arts Council Grant	19,638	-	(19,638)	-	-
Restricted Fixed Asset Fund					
Property Reserve	926,973	-	(7,790)	-	919,183
	946,611	-	(27,428)	-	919,183

St Matthew's House Limited
Notes to the Accounts (continued)
For the year ended 31 August 2022

17 Net assets by fund

	General Fund £	Restricted Funds £	Total 2022 £
Tangible fixed assets	384,192	911,393	1,295,585
Net current assets	(51,647)	-	(51,647)
Creditors of more than one year	(280,369)	-	(280,369)
	52,176	911,393	963,569
<i>Prior year comparative</i>	<i>General Fund £</i>	<i>Restricted Funds £</i>	<i>Total 2021 £</i>
<i>Tangible fixed assets</i>	<i>388,055</i>	<i>919,183</i>	<i>1,307,238</i>
<i>Net current assets</i>	<i>70,676</i>	<i>-</i>	<i>70,676</i>
<i>Creditors of more than one year</i>	<i>(347,508)</i>	<i>-</i>	<i>(347,508)</i>
	111,223	919,183	1,030,406

18 Trustee remuneration and expenses, and the cost of key management personnel

The trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil) neither were they reimbursed expenses during the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

The key management of the charity comprised the strategic director (appointed March 21) and the 6 Trustees as at the year end 31 August 2022 (2021: 8). The total employee benefits of the key management personnel of the charity were £10,604 (2021: £nil)

19 Related party transactions

No other transactions have taken place with related parties during the year, other than those included in note 18.

ST MATTHEW'S HOUSE LIMITED

England & Wales - Charity number 1146648

Accounts

Registered Charity Number: 1146648
Company number: 07752686

St Matthew's House Limited

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

For the year ended 31 August 2021

St Matthew's House Limited

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St Matthew's House Limited

Legal and administrative information

Charity number

1146648

Company number

07752686

Other names the charity is known by:

The Art House

Trustees

J McQuater

S Linskill

The Rev'd G Naylor Chairman

The Rev'd W H Thomas – Vice Chairman

S Smith

G R Millar

A C Knowles

C A Gracey

Company Secretary

J M Hanks

Registered office

8 Backfields

Sheffield

S1 4HJ

Independent Examiner

Susan Cochrane, FCA

Employee of:

VAS Community Accountancy

The Circle

33 Rockingham Lane

Sheffield

S1 4FW

St Matthew's House Limited

Trustees' annual report For the year ended 31 August 2021

The Trustees, who are also Directors of the Company for the purposes of the Companies Act, present this Annual Report and Financial Statements of the company for the year ended 31 August 2021.

The Trustees confirm that the Annual Report and Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and with the Charities Act 2011.

Objectives and public benefit

The charity's objects are specifically restricted to such purposes which are exclusively charitable in the laws of England and Wales, and for the public benefit, as the trustees shall in their absolute discretion determine, and in particular (but not exclusively):

1. to benefit the inhabitants of the city of Sheffield, and in particular those inhabitants living in the ecclesiastical parishes in the diocese of Sheffield without distinction of sex, sexual orientation, race or of political, religious or other opinions by bringing together the statutory, voluntary and other organisations and inhabitants in a common effort to:
 - a. improve the physical, mental/emotional and spiritual well-being of inhabitants, particularly inhabitants living with mental health difficulties;
 - b. advance education (including religious, moral and physical education);and
 - c. provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life of the said inhabitants.

In furtherance of these objects but not otherwise, the trustees shall have power to:

2. establish or secure the establishment of a community centre;
3. maintain or manage or co-operate with any statutory authority in the maintenance and management of a community centre;

for activities promoted by the charity in furtherance of the above objects.

In setting the objectives and planning the activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and fee charging.

St Matthew's House Limited

Trustees' annual report - continued For the year ended 31 August 2021

Summary of main activities

The Board of Trustees are extremely grateful and proud of the marvellous team who work at the Art House. Despite parts of the year still disrupted by Covid restrictions the Art House continues to operate, serving the community with a programme of commercial art and pottery activities and a wellbeing offer to support people who are vulnerable and living with mental health issues.

During this year the Art House has strengthened under the capable leadership of our interim director, Andrew Seaton. With his strong business background Andrew has successfully

- redeveloped the high level statements of and core values for the charity, in collaboration with the Board and management team;
- reviewed the Art House's business model and implemented changes that simplified the structure and operations;
- developed a financially sustainable model for the Art House's operations with key performance indicators across the department's.

A new finance manager, Jamie Brown, has made an incredible contribution to the management of our finances. Jamie took the lead on switching our services to more cost-effective agreements, consolidating our finances and improving our suite of financial reports. He has brought a new clarity to reporting and is a key member of the team. Jamie is in close contact with both the management and the trustee board and is a member of the finance Sub committee which meets each month.

Fund raising was a key activity during this time and the charity was successful in a number of funding grants to help towards Covid recovery costs.

As a consequence of the restructuring with the closure of the new Kitchen and the Art programming work being overseen by the pottery manager the two staff took voluntary redundancy. The pottery continued to be popular despite the opening and closing of the Art House and the limit on class sizes due to social distancing. As a thank you to the pottery Open Studio members for their on-going financial support, the Board hosted an open studio open house week in the run up to the Christmas and New Year shut down. Work has been done on streamlining the commercial Art programme ready for the post covid reopening. Plus work has been done on enhancing the Wellbeing model in readiness for full roll-out in the new year. Throughout the year, we continued to deliver a weekly on-line wellbeing offer to our vulnerable participants which was well received. And we have launched the Art House new website that offers a streamlined booking system. To ensure the fabric of the building is maintained a quinquennial review was carried out and a programme of repairs identified which will be overseen by a new buildings committee with a budget ringfenced for the work. In addition, the lower ground floor has been painted and we now have the pottery shop on site as well as on-line. The Board would like to thank Lizzie Lees for her role as Board meeting secretary and welcome Ian Burgess who has taken over the role.

St Matthew's House Limited

Trustees' annual report - continued

For the year ended 31 August 2021

Summary of main activities (continued)

Wellbeing Classes:

Tara Brown, our wellbeing manager, has maintained a wellbeing offer during the year but this offer has been reduced with refocusing of her role on fundraising and bid writing. External tutors have also maintained a wellbeing offer. At the time of writing new models for our wellbeing are being designed and the plan is for them to be partly commercial. Tara is using a prototype of our "Open Studio" model for those wanting to access wellbeing services. Moving out of the pandemic more of her time will be singularly devoted to the management of our wellbeing offer, the building up of eternal relations and the partnership for exhibitions in the space.

Commercial art and pottery:

Throughout the year pottery has maintained and exceeded its targets. Mike Scown, our pottery manager, had shown incredible imagination and flexibility in responding to the various challenges of the period. Pottery has been the main source of income and due to the close working relationship of Andrew and Mike all the courses we offer have been put on a more profitable basis going forward. Despite the challenges posed by social distancing the courses have managed to grow their profit margins.

Over the course of the year we did identify the Commercial Art Programming Manager's job at risk and Lisa Parkes took voluntary redundancy. . Lisa had contributed a lot to the Art House over the years and we thank her for her service. Art programs were less successful during this period and we decided to focus on the pottery model, which is the largest income generator.

Management Structure

The flatter management structure brought in just before the pandemic was tweaked with the appointment of Andrew Seaton as Interim Strategic Lead on a part-time basis. We felt this was necessary to provide the leadership to see us through the next stage of our development. We feel vindicated in this and are pleased with the results. At the time of writing we have now appointed, through open competition, a new permanent part time Strategic Lead Ben Clowes to build on Andrew's work. Andrew has agreed to stay involved through one of the board's working subgroups. Ben has made an excellent start.

The board met bi monthly during this period. Its sub-committees with a focus on Finance and HR have met regularly in-between board meetings.

St Matthew's House Limited

Trustees' annual report - continued For the year ended 31 August 2021

Summary of main activities (continued)

Particular areas focussed on by the board:

1. The board worked with Andrew to hone our high level statements.
2. The board successfully managed to use our assets to build a working reserve, achieving our reserve policy for the first time in seven years.
3. The board oversaw and instigated a new policy of a slight monthly overpayment on our loans.
4. The board sought to support staff and recognise their hard work in challenging times through a generous taxable bonus at Christmas ahead of salary reviews in 2022.
5. The board has sought to strengthen and diversify governance with the renewal of the finance sub committee and more frequent meetings. . At the time of writing the committees have been refreshed with some changes to their membership and a new HR sub-committee Chair. In addition, a third sub-committee is being set up to oversee the upkeep of the buildings.

Achievements and Performance

- a) Financial survival and an improving financial outlook.
- b) Clearer financial reporting has enabled the board to take more proactive decisions for the future.
- c) Courses continued to prove popular and have improved income generation.
- d) As a charity we have maintained a wellbeing offering.
- e) KPIs have been introduced for staff members and their areas of work.
- f) We have become more streamlined and focussed since the closure of the café. This has simplified our offer.
- g) Staff have worked together to continue to maintain and improve an excellent offer. Renewed interest in our exhibition spaces, courses and Open Studio demonstrate that we have a strong and positive future.

We have maintained the vast majority of our Open Studio subscriptions and numbers are growing again.

Postscript

Writing in April, 2022 it is remarkable to review the time between September 2020- August 2021. It was a challenging time, however a period where the charity was able to make great strides forward. The whole "covid" period caused us to make some difficult decisions but I believe this time has ultimately led to the strengthening of the overall position of the charity. There are still significant challenges ahead. We are always contemplating and working for the income of three months hence, but we now do so with a stronger reserve and lower debts than at any point in the last seven years. Our greatest assets are our hard working and committed staff. This positive report is a testament to them and we as a board are committed to them and their clients. It is my hope and prayer that this year we will continue to learn and grow, so that we can do more, reach more people, and greatly enhance our wellbeing work, for the sake of those we are called to serve.

St Matthew's House Limited

Trustees' annual report - continued For the year ended 31 August 2021

Financial Review and Reserves Policy

The statement of financial activities is set out on page 10 of the financial statements. Income for the year amounted to £293,256 (2020: £427,884). Total expenditure amounted to £305,611 (2020: £356,514). Net movement in funds for the year was a deficit of £12,355 (2020: surplus £71,370) resulting in net assets at the year-end of £1,030,406 (2020: £1,042,761)

The Trustees have considered the level of unrestricted funds which they see as appropriate to hold in reserve and have concluded that this should be the equivalent of a minimum of three month's salary expenditure. The Trustees have therefore set reserves at around £50,000. The Trustees will keep the level of reserves under review and monitor the level of reserves throughout the coming year.

Free reserves at 31 August 2021 were £85,982 (2020: £27,184)

The financial statements have been prepared on a going concern basis. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is seen as sufficient with the level of reserves for the charity to be able to continue as a going concern.

The charity also continues to receive the support of its principal creditors and loan providers to be able to adapt to any changes in the charity's circumstances.

The Trustees have concluded that the effects of Covid are non-adjusting to the charity's ability to continue to deliver its primary purpose. However, Trustees recognise that challenges remain particularly with the inherent risk around the future generation of grant funding.

Risk management

The trustees have given consideration to the major risks to which the charity is exposed and has satisfied themselves that control systems and procedures are established in order to manage these risks. A risk register has been established and is reviewed annually.

St Matthew's House Limited

Trustees' annual report - continued For the year ended 31 August 2021

Structure, governance and management

The charity is governed by its Memorandum and Articles of Association and is incorporated as a company limited by guarantee.

Members of the charity guarantee to contribute £10 in the event of winding up. The sole Member of the Charity is Parochial Church Council for the Ecclesiastical Parish of Sheffield St Matthew in the Diocese of Sheffield.

Governance

Trustees are appointed by the Parochial Church Council of St Matthews, Carver Street, subject to the rules laid down in the Memorandum and Articles of Association.

The term "Board" is defined as the meetings of the trustees. The Board's main duty is to manage the Charity, ensuring good governance and practice.

Once appointed, Trustees must make themselves aware of the terms of the Memorandum of St Matthew's House, familiarise themselves with the charity's property, policies, human resources, client needs and finances. They will ensure that the staff are well looked after, that investment of the charity funds complies with the terms of the Memorandum, and that the strategy and objectives of St Matthew's house are developed.

The Board will act exclusively in the best interest of the charity. Therefore, a Trustee must not allow a situation to arise where their duty as a Trustee conflicts with their own personal interest. They are required to manage the charity and to ensure that the objectives of the chair are met. The Board will spent time inducting new Trustees by informing them about:

- A brief history of the organisation;
- Strategic direction and mission statement;
- The structure of the organisation, committees, sub-committees, working groups, user groups, staff and volunteers, and the partnership with the mission of St Matthew's House; and
- The business plan of St Matthew's House.

The Board will ensure that new Trustees will know enough to be able to carry out their role, but not be overloaded or mislead them about the level of work involved.

All Trustees give their time freely and no remuneration or expenses were paid in the year.

St Matthew's House Limited

**Trustees' annual report - continued
For the year ended 31 August 2021**

Structure and management

Day to day running of the charity is delegated to a management team led by a Strategic Director.

The management and finances are administered through the Board of Trustees which meets bi-monthly. There are two sub-committees of the board which focus on Finance and HR. They meet ahead of full board meetings and report to them.

Reports on finance, work to raise funds, HR and outcomes and outputs monitoring are received.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The trustees declare that they have approved the Trustees' annual report above on 12/05/22 and signed on behalf of the trustees by:



Print name:

F. G. L. Naylor
Trustee & Chairman

Independent examiner's report to the directors of St Matthew's House Limited ('the Company')

I report to the charity directors on my examination of the accounts of the Company for the year ended 31 August 2021.

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 statement

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 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 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.

Signed: S Cochrane
Susan Cochrane FCA
Employee of
VAS Community Accountancy
The Circle
33, Rockingham Lane
Sheffield
S1 4FW

Date: 12/5/2022

St Matthew's House Limited
Statement of financial activities
(incorporating the income and expenditure account)
For the year ended 31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Income from:							
Grants and donations	2	212,588	-	212,588	148,862	31,500	180,362
Charitable activities	3	52,426	-	52,426	172,014	-	172,014
Other trading activities	4	27,827	-	27,827	59,763	-	59,763
Room rental income		163	-	163	15,571	-	15,571
Investments - bank interest		252	-	252	174	-	174
Total income		293,256	-	293,256	396,384	31,500	427,884
Expenditure on:							
Raising Funds	5	5,442	-	5,442	7,745	-	7,745
Charitable activities	6	193,482	27,428	220,910	216,558	19,575	236,133
Trading and other	7	79,259	-	79,259	112,559	77	112,636
		278,183	27,428	305,611	336,862	19,652	356,514
Net income/(expenditure)		15,073	(27,428)	(12,355)	59,522	11,848	71,370
Fund transfers	16	-	-	-	2,900	(2,900)	-
Net movement in funds		15,073	(27,428)	(12,355)	62,422	8,948	71,370
Total funds brought forward		96,150	946,611	1,042,761	33,728	937,663	971,391
Total funds carried forward		111,223	919,183	1,030,406	96,150	946,611	1,042,761

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

St Matthew's House Limited
Balance Sheet
As at 31 August 2021

	Notes	Total 2021 £	Total 2020 £
Fixed assets			
Tangible assets	11	<u>1,307,238</u>	<u>1,319,205</u>
Current assets			
Stock	12	1,850	1,849
Debtors	13	9,002	2,944
Cash at bank and in hand		143,285	109,042
Total current assets		<u>154,137</u>	<u>113,835</u>
Creditors: amounts falling due within one year	14	(83,461)	(88,845)
Net current assets		<u>70,676</u>	<u>24,990</u>
Total assets less current liabilities		<u>1,377,914</u>	<u>1,344,195</u>
Creditors: amounts falling due after more than one year	15	(347,508)	(301,434)
Total net assets		<u>1,030,406</u>	<u>1,042,761</u>
Represented by:			
Funds of the Charity			
Unrestricted funds		111,223	96,150
Restricted income funds	16	919,183	946,611
	17	<u>1,030,406</u>	<u>1,042,761</u>

For the year ending 31 August 2021 the company was entitled to exemption from audit under section 477 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 director's acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

Approved by the Board of Trustees on 12/05/22 and signed on their behalf by:



Print Name: F. G. L. Naylor
 Trustee & Chairman

St Matthew's House Limited
Notes to the Accounts
For the year ended 31 August 2021

1 Accounting policies

(a) General

St Matthew's House Limited is a charitable company in the United Kingdom limited by guarantee. In the event that the charity is wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and with the Charities Act 2011.

St Matthew's House Limited meets the definition of a public benefit entity under FRS 102. The financial statements are prepared under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and are rounded to

(b) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

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

(c) Donated services and facilities

Donated professional services and donated 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. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated 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

(d) Expenditure and irrecoverable VAT

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.

All expenditure is accounted for on an accruals basis, including irrecoverable VAT, and has been listed under headings that aggregate all the costs related to that activity.

Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expense headings on the basis of the time spent.

Governance costs are those in connection with the management of the charity, organisational administration and compliance with the

Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources.

(e) Tangible fixed assets

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

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

Fixtures, fittings & equipment	20% straight line
Computers	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

(f) Debtors

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

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

(h) Creditors

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.

1 Accounting policies (continued)

(i) 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.

(j) Pension obligations

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

(k) Employee benefits

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

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

(l) Taxation

As a charity, the organisation is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

(m) Leases

Rental payable and receivable under operation leases are charged to the SOFA on a straight line basis over the period of the lease.

(n) Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the organisation without further specified

Designated funds are funds set aside at the discretion of the trustees for a specific project.

Restricted funds are to be used for specific purposes as laid down by the funder.

(o) Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going

2 Income from grants and donations

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Government grants:						
Covid-19 Business Support Grant	-	-	-	25,000	-	25,000
Coronavirus Job Retention Scheme	39,709	-	39,709	24,029	-	24,029
Sheffield City Council	29,672	-	29,672	-	-	-
Grant income:						
Big Lottery	-	-	-	67,505	-	67,505
Tudor Trust	-	-	-	15,000	-	15,000
The Arts Council	-	-	-	-	31,500	31,500
Baring Foundation	12,000	-	12,000	-	-	-
Postcode Neighbourhood Trust	20,000	-	20,000	-	-	-
Sheffield Town Trust	2,500	-	2,500	-	-	-
Arts Council England -Culture Recovery Fund	100,000	-	100,000	-	-	-
Donations	8,707	-	8,707	17,328	-	17,328
	212,588	-	212,588	148,862	31,500	180,362

St Matthew's House Limited
Notes to the Accounts (continued)
For the year ended 31 August 2021

3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Pottery	32,124	-	32,124	84,048	-	84,048
Art	18,464	-	18,464	87,966	-	87,966
Other	1,838	-	1,838			
	52,426	-	52,426	172,014	-	172,014

4 Income from other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Pottery	4,367	-	4,367	4,379	-	4,379
Art	18,117	-	18,117	14,990	-	14,990
Café	598	-	598	31,470	-	31,470
Other	4,745	-	4,745	8,924	-	8,924
	27,827	-	27,827	59,763	-	59,763

5 Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Grant processing costs	5,442	-	5,442	7,745	-	7,745
	5,442	-	5,442	7,745	-	7,745

6 Expenditure on charitable activities

Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Pottery & art						
Pottery & art materials	3,040	-	3,040	6,309	-	6,309
Well-being expenses	1,020	-	1,020	186	-	186
Art council costs	-	12,260	12,260	-	2,829	2,829
Tutor fees	4,457	2,508	6,965	34,648	-	34,648
Wages and salaries	8 34,773	4,870	39,643	63,840	9,033	72,873
Support costs	9 147,940	-	147,940	111,575	-	111,575
Depreciation	2,252	7,790	10,042	-	7,713	7,713
	193,482	27,428	220,910	216,558	19,575	236,133

St Matthew's House Limited
Notes to the Accounts (continued)
For the year ended 31 August 2021

7 Expenditure on trading activities

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Pottery & art							
Pottery & art materials		1,296	-	1,296	739	-	739
Well-being expenses		-	-	-	80	-	80
Tutor fees		4,867	-	4,867	4,207	-	4,207
Wages and salaries	8	27,698	-	27,698	7,137	-	7,137
Support costs	9	20,626	-	20,626	31,534	-	31,534
Depreciation		1,925	-	1,925	4,346	77	4,423
		56,412	-	56,412	48,043	77	48,120
Café							
Café equipment		308	-	308	11,476	-	11,476
Wages and salaries	8	22,233	-	22,233	47,572	-	47,572
Support costs	9	306	-	306	4,795	-	4,795
Depreciation		-	-	-	673	-	673
		22,847	-	22,847	64,516	-	64,516
		79,259	-	79,259	112,559	77	112,636

8 Staff Costs

	2021 £	2020 £
Wages and salaries	133,741	185,750
Employer's National Insurance	7,684	8,405
Employer's allowance	(4,017)	(2,937)
Employer's pension contributions	2,201	2,134
	139,609	193,352

No employee received emoluments of more than £60,000.

The average monthly number of paid employees during the year was 9 (2020: 15).

9 Analysis of support costs

The charity apportions the support costs between the charitable and trading activities undertaken.

	Charitable Activities £	Trading Activities £	Total 2021 £	Charitable Activities £	Trading Activities £	Total 2021 £
Pottery & art						
Wages and salaries	44,884	5,151	50,035	45,915	10,512	56,427
Office costs	35,945	3,679	39,624	25,539	9,647	35,186
Miscellaneous	11,336	7,762	19,098	9,377	3,542	12,919
Loan interest	10,021	1,033	11,054	8,263	3,121	11,384
Bank charges	2,058	203	2,261	2,930	1,107	4,037
Irrecoverable VAT	16,360	-	16,360	15,882	-	15,882
Governance	27,336	2,798	30,134	3,669	3,605	7,274
	147,940	20,626	168,566	111,575	31,534	143,109
Café						
Wages and salaries	-	-	-	-	1,598	1,598
Office costs	-	-	-	-	1,467	1,467
Miscellaneous	-	306	306	-	539	539
Loan interest	-	-	-	-	475	475
Bank charges	-	-	-	-	168	168
Governance	-	-	-	-	548	548
	-	306	306	-	4,795	4,795
	147,940	20,932	168,872	111,575	36,329	147,904

Charitable activities support costs total £147,940 of which £nil (2020: £nil) relates to restricted funds.

Trading activities support costs total £20,932 of which £nil (2020: £nil) relates to restricted funds.

St Matthew's House Limited
Notes to the Accounts (continued)
For the year ended 31 August 2021

10 Fees payable to Independent examiner's organisation

	2021	2020
	£	£
Independent examination fee (included in Governance Costs)	1,050	1,500

11 Tangible fixed assets

	Long Leasehold Property £	Fixtures, fittings and equipment £	Total £
Cost or Valuation			
As at 1 September 2020	1,383,710	33,165	1,416,875
As at 31 August 2021	1,383,710	33,165	1,416,875
Depreciation			
As at 1 September 2020	66,418	31,252	97,670
Charge this period	11,070	897	11,967
As at 31 August 2021	77,488	32,149	109,637
Net Book Value			
As at 31 August 2021	1,306,222	1,016	1,307,238
As at 31 August 2020	1,317,292	1,913	1,319,205

12 Stock

	2021	2020
	£	£
Stocks held at the year end	1,850	1,849
	1,850	1,849

13 Debtors

	2021	2020
	£	£
Trade debtors	4,540	744
Prepayments and accrued income	4,462	2,200
	9,002	2,944

14 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	8,979	3,661
Sundry creditors & deposits	6,058	3,215
PAYE	475	8
Accruals	4,027	3,191
Prepaid trading income	24,903	32,196
St Matthews PCC	10,899	10,899
Pension	306	460
VAT	9,365	13,383
Loans	18,449	21,832
	83,461	88,845

St Matthew's House Limited
Notes to the Accounts (continued)
For the year ended 31 August 2021

15 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank Loans	205,008	166,434
Other Loan	142,500	135,000
	347,508	301,434
Financial instruments		
Loans are repayable as follows:		
Within one year	18,449	21,832
Between one to two years	24,894	22,802
Between two to five years	96,546	71,666
Over five years	226,068	206,966
	365,957	323,266

Financial instruments measured at amortised cost comprise of a £165,957 (2020: £173,265) bank loan provided by Charity Bank which has a 6.5% interest rate, a Bounce Back Loan of £50,000 (2020: £Nil) which had a interest rate of 2.5% and an other loan of £150,000 (2020: £150,000) from St Vincent House which had a 0% interest rate.

16 Restricted funds

	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
Arts Council Grant	19,638	-	(19,638)	-	-
Restricted Fixed Asset Fund					
Property Reserve:	926,973	-	(7,790)	-	919,183
	946,611	-	(27,428)	-	919,183

Arts Council Grant

The fund represents financing from The Arts Council to support the development of online classes, digital content, an online wellbeing portal, provision of care packages and the associated staff costs.

Property Reserve:

The property reserve reflects the net book value of leasehold property financed from restricted funds.

Prior year comparative

	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
Arts Council Grant	-	31,500	(11,862)	-	19,638
Restricted Fixed Asset Fund					
Property Reserve	934,763		(7,790)		926,973
Fixtures & Fittings	2,900			(2,900)	-
	937,663	31,500	(19,652)	(2,900)	946,611

St Matthew's House Limited
Notes to the Accounts (continued)
For the year ended 31 August 2021

17 Net assets by fund

	General Fund £	Restricted Funds £	Total 2021 £
Tangible fixed assets	388,055	919,183	1,307,238
Net current assets	70,676		70,676
Creditors of more than one year	(347,508)	-	(347,508)
	111,223	919,183	1,030,406
<i>Prior year comparative</i>	<i>General Fund £</i>	<i>Restricted Funds £</i>	<i>Total 2020 £</i>
<i>Tangible fixed assets</i>	<i>392,232</i>	<i>926,973</i>	<i>1,319,205</i>
<i>Net current assets</i>	<i>5,352</i>	<i>19,638</i>	<i>24,990</i>
<i>Creditors of more than one year</i>	<i>(301,434)</i>	<i>-</i>	<i>(301,434)</i>
	96,150	946,611	1,042,761

18 Trustee remuneration and expenses, and the cost of key management personnel

The trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil) neither were they reimbursed expenses during the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

The key management of the charity comprised the 8 Trustees as at the year end 31 August 2021 (2020: 8). The total employee benefits of the key management personnel of the charity were £nil (2020: £nil)

19 Related party transactions

No other transactions have taken place with related parties during the year, other than those included in note 18.

ST MATTHEW'S HOUSE LIMITED

England & Wales - Charity number 1146648

Accounts

Our ref: A6379/CD/JDC

Date: 26/05/2021

The Trustees
St Matthews House Limited
The Art House
8 Backfields
Sheffield
S1 4HJ

Dear Trustees

St Matthews House Limited

During the course of the independent examination of the charity's accounts for the year ending 31 August 2020 the following representations were made to us by the management and trustees. Please read these representations carefully and if you agree with our understanding, please sign and return a copy of this letter to ourselves as confirmation of this.

Representation

- 1 You acknowledged as trustees your responsibilities under the Charities Act 2011 for preparing financial statements that give a true and fair view and for making accurate representations to ourselves as independent examiners.
- 2 You confirmed that all accounting records had been made available to ourselves for the purpose of our independent examination and that all the transactions undertaken by the charity had been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management and trustees' meetings, had been made available to ourselves.
- 3 You confirmed that the charity had no liabilities or contingent liabilities other than those disclosed in the accounts.
- 4 You confirmed that there have been no events since the balance sheet date which required disclosing or which would materially affect the amounts in the accounts, other than those already disclosed or included in the accounts.
- 5 You confirmed that the charity has had, at no time during the year, any arrangement, transaction or agreement to provide credit facilities (including loans, quasi-loans or credit transactions) for trustees, nor to guarantee or provide security for such matters.
- 6 You confirmed that you have disclosed to us all related party transactions relevant to the charity and that you are not aware of any further related party matters that require disclosure.
- 7 You confirmed that the charity has not contracted for any capital expenditure other than as disclosed in the accounts.

- 8 You confirmed that there are no companies associated with this company for tax purposes.
You understand that companies are associated for tax purposes if they meet the 51% group test. A 51% or more group company is when a company owns 50% or more of its ordinary share capital (indirectly or directly).
- 9 You confirmed that there are no laws or regulations that are central to the charity's ability to conduct its business.
- 10 You acknowledged your responsibility for the design and implementation of internal controls to prevent and detect fraud. You confirmed that you have disclosed to us the results of your own assessment of the risk of fraud in the business.
- 11 You confirmed that there have been no actual or suspected instances of fraud involving management or employees who have a significant role in internal control or that could have a material effect on the financial statements. You also confirm that you are not aware of any allegations of fraud by former employees, regulators or others.
- 12 You confirmed that in your opinion the charity is a going concern.
- 13 You confirmed that funds have been between correctly classified between restricted and unrestricted.
- 14 You confirmed that you are satisfied that all of the charitable activities are exempt from the charge to corporation tax and that no provision is required in the accounts. You also confirmed that the charity is registered for VAT, with appropriate adjustments made for the partial exemption and the capital goods scheme.

Yours faithfully

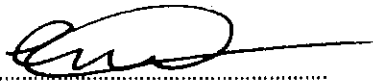
Smith Craven

Smith Craven
Chartered Accountants

We confirm that we have read and understood the contents of this letter and agree that it accurately reflects the representations made to you by the directors during the course of the independent examination.

We confirm that the above representations are made on the basis of enquires of management and staff with relevant knowledge and experience (and, where appropriate, of inspection and supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully



On behalf of the Board of Trustees

Date: 26 May 2021



ST MATTHEW'S HOUSE LIMITED

COMPANY LIMITED BY GUARENTEE

COMPANY NUMBER 07752686

REGISTERED CHARITY NUMBER 1146648

**REPORT OF THE TRUSTEES
& FINANCIAL STATEMENTS – YEAR TO AUGUST 2020**

ST MATTHEW'S HOUSE LIMITED
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FOR THE YEAR ENDED 31 AUGUST 2020

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ST MATTHEWS HOUSE LIMITED

REPORT OF THE TRUSTEES – *Reference and Administrative Details*

FOR THE YEAR ENDED 31 AUGUST 2020

CHARITY NAME:	St Matthews House Limited
TRADING NAME:	The Art House
BOARD OF TRUSTEES:	J McQuater S Linskill The Rev'd G Naylor (Chairman) The Rev'd J Hanks – (Resigned 30/09/2019) The Rev'd W H Thomas S Smith G R Millar A C Knowles C A Gracey
COMPANY SECRETARY:	The Rev'd John Hanks
REGISTERED ADDRESS:	St Matthews House Ltd The Art House 8 Backfields Sheffield South Yorkshire S1 4HJ
INDEPENDENT EXAMINERS:	Smith Craven Chartered Accountants Sldings House Sldings Court Lakeside Doncaster DN4 5NU
BANKERS:	The Co-operative Bank Plc PO Box 250 Skelmersdale WN8 6WT
SOLICITORS:	Wrigleys Solicitors 19 Cookridge Street Leeds LS2 3AG
COMPANY NUMBER:	07752686
REGISTERED CHARITY:	1146648

ST MATTHEWS HOUSE LIMITED

REPORT OF THE TRUSTEES – *Organisational Structure, Objectives and Activities*

FOR THE YEAR ENDED 31 AUGUST 2020

The Directors present their report and the financial statements for the year ended 31 August 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued March 2005.

Structure, Governance and Management

The charity is governed by its Memorandum and Articles of Association and is incorporated as a company limited by guarantee. It trades as "the Art House".

Trustees are appointed by the Parochial Church Council of St Matthews, Carver Street, Sheffield, subject to the rules laid down in the Memorandum and Articles of Association.

The governance structure of the charity is in line with the requirements of both the Charity Commission and Companies House.

The term "Director" will include both Trustees and Directors. The term "Board" refers to meetings of the Directors. All of the Governors are members of the company and guarantee to contribute to £10 in the event of winding up.

The policy for the induction and training of Directors is as follows:

The Board's main duty is to manage the charity, ensuring good governance and practice, as defined by law.

Once appointed, Directors must make themselves aware of the terms of the Memorandum of St Matthews House, familiarise themselves with the charity's property, policies, human resources, client needs and finances. They will ensure that the staff are well looked after, that investment of charity funds complies with the terms of the Memorandum, and that the strategy and objectives of St Matthews House are developed.

The Board will act exclusively in the best interests of the charity. Therefore a Director must not allow a situation to arise where their duty as a Director conflicts with their own personal interest. They are required to manage the charity and to ensure that the objectives of the charity are met. The Board will spend time inducting new Directors by informing them about:

- A brief history of the organisation
- Strategic direction and mission statement.
- The structure of the organisation, committees, sub-committees, working groups, user groups, staff and volunteers, and the partnership with the mission of St Matthews House
- The business plan of St Matthews House.

The Board will ensure that new Directors will know enough to be able to carry out their role, but not be overloaded or mislead them about the level of work involved.

ST MATTHEWS HOUSE LIMITED

REPORT OF THE TRUSTEES - *Organisational Structure, Objectives and Activities (Continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

Organisational Structure

The management and finances are administered through the Board of Directors which meets bi-monthly. There are two sub-committees of the board which focus on Finance and HR. They meet ahead of full board meetings and report to them.

Reports on finance, work to raise funds, human resources and outcomes and outputs monitoring are received.

All Directors give their time freely and no remuneration or expenses were paid in the year.

Objectives and Activities

The charity' objects are

1. To benefit of the inhabitants of the City of Sheffield and in particular those inhabitants living in the ecclesiastical parishes in the City and Diocese of Sheffield without distinction of sex, sexual orientation, race or of political, religious or other opinions by bringing together the statutory, voluntary and other organisations and inhabitants in a common effort to:
 - a) Improve the physical, mental/emotional and spiritual well-being of inhabitants, particularly inhabitants living the mental health difficulties
 - b) Advance education (including religious, moral and physical education) and
 - c) Provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life of the said inhabitants.

In furtherance of these objects but not otherwise, the trustees shall have power to:

2. Establish or secure the establishment of a community centre.
3. Maintain or manage or co-operate with any statutory authority in the maintenance and management of a community centre.

Public Benefit

In setting the objectives and planning the activities the Directors have given careful consideration to the Charity Commission's general guidance on public benefit.

ST MATTHEWS HOUSE LIMITED

REPORT OF THE TRUSTEES – *Summary of Main Activities*

FOR THE YEAR ENDED 31 AUGUST 2020

Summary of Main Activities

This year beginning September 2019 started strongly for The Art House with increasing revenue from commercial classes and other income. This continued into the New Year before the implications of the Covid19 pandemic began to take their course from March 2020. We have departed from our usual format in this report to reflect the two halves of the operating year.

September to March – Pre-Covid Restrictions

Wellbeing Classes:

During this period our wellbeing work grew from strength to strength, financially supported by the Big Lottery Community Fund. Our wellbeing work shows an increase in classes, volunteers, exhibitions and increase in progression of clients to other non-wellbeing specific courses. Sarah Vanic our mental health wellbeing coordinator retired from the Art House after working with us for over four years. Following an open recruitment process, Mrs Vanic was replaced by Tara Brown as our new wellbeing manager who had been an occasional tutor for some time.

Due to the prior success of our art and pottery wellbeing groups we were able to run, with funding from the Big Lottery, three new permanent wellbeing groups which opened up our community outreach and allowed us to widen our referral system. These groups were: Inspired Artists, Early Onset and Friends, and Creative Potters Group. This resulted in 170 participants attending our wellbeing programme to March 2020. Eight wellbeing groups ran until the Covid 19 restrictions were brought into force, 3 by Tara and 5 by external tutors.

Tara has started to articulate the commercial side of the wellbeing business as well as its charitable aims – the charity has been developing the whole offer of the organization around wellbeing so as to break down the idea that some of our work is wellbeing whilst other classes are purely commercial. Income ideas generated from wellbeing include working more with marginalised groups, more schools involvement, well-being events in the workplace to assist with continuing professional development. This would involve exploring themes that occur in the workplace and think of creative ideas to combat them.

Tara has connections with Netherthorpe House (Art Therapy Northern Programme) an adult community mental health and emotional wellbeing service and is interested in creating a partnership with them so they can offer art therapy through the Art House.

Commercial art and pottery:

Pottery and Art Classes grew strongly during this first period. September sales increased by

£24,700 on the previous September. Sales continued strongly in October and November before seeing a slight, and not unexpected drop in December, due to the Christmas break. The Pottery programme was restructured with Mike Scown Pottery Manager taking the lead.

- 71.5% of art class places were sold on courses that ran
- 86% of pottery class places were sold on courses that ran

ST MATTHEWS HOUSE LIMITED

REPORT OF THE TRUSTEES – Summary of Main Activities (Continued)

FOR THE YEAR ENDED 31 AUGUST 2020

November 2019 has been the highest month ever for Netbanx sales of £26,797.50 [November 2018 was £19,978 = £6,819.50 more than last year (34%)].

New Management Structure

A new flatter management structure was put in place at the beginning of March with Tara Brown appointed as Wellbeing Manager, Sarah Redding stepping up to Finance, Facilities and Operations Manager, Mike Scown stepping up to Pottery Manager, and Lisa Parkes stepping up to Commercial Art Programme Manager. Plans to recruit a part time strategic lead following the departure of Rosie the Strategy, Development and Operations Manager were active when the Covid pandemic forced the Art House to temporarily close, which meant that this recruitment process had to be postponed.

Tea Studio Vegetarian Café

Due to on-going increases in costs to run the café it continued to make a loss over the course of the first half of the year despite increasing in popularity and competition with a number of local cafés close by. The Board were therefore considering a number of options including a new simpler business model for the future of the café.

The board met 5 times during this period.

The Netbank loan was repaid. Vincent House wrote off £15,000 worth of debt.

New improved financial controls were introduced by the board.

March to August – Covid Restrictions

From March the Chair of the Board and Chair of the HR sub-committee met with the four managers regularly to steer the work of the charity through these unprecedented times with support from the Vice Chair and other Trustees. The Board also met on Zoom in order to consider the position of the charity and its response to the crisis as it unfolded. During this time the board furloughed the majority of the staff in order to take advantage of the government scheme and help the project to survive the pandemic. Key areas of focus for the staff who continued working and the board included:

- Fundraising - the staff were successful in securing grants from a number of organisations including the Big Lottery Community Fund and a major grant from Arts Council England. Several thousands of pounds were donated via a Go Fund Me campaign, money was raised through our three Big Yorkshire Art Auction events that we held, selling pieces kindly donated from local artists, which was a huge success, and a new online shop was set up as an additional income stream.
- The Tea Studio - With the advent of the Covid restrictions the board felt that the decision had to be made to scale down the work of the café as resumption of trading was proving difficult and to address the long-term issue of the café incurring a loss. This resulted in initiating a redundancy process which concluded with one remaining member of staff. The Tea Studio was closed with plans to launch the Art House Kitchen.

ST MATTHEWS HOUSE LIMITED

REPORT OF THE TRUSTEES – Summary of Main Activities (Continued)

FOR THE YEAR ENDED 31 AUGUST 2020

- Zoom classes and pottery tutorials were introduced – these new ways of operating both continued to keep our contacts live and generated a modest income.
- Staff continued to support the wellbeing community. The Big Art Lock IN - a new online closed community on Facebook was launched that attracted almost 1,000 members with each week there being a different art and wellbeing challenge offered. There were also digital wellbeing services delivered by Zoom. And Tara Brown made weekly contact with our most isolated and vulnerable wellbeing participants via telephone.
- Plans to upgrade our website and booking system were instigated.

We would like to take this opportunity to thank all our staff team, tutors, participants, friends and stakeholders for their continued support during the challenging times that faced us as a consequence of the covid-19 pandemic.

Particular areas of focus for the board:

1. The board submitted a project brief to Cranfield Trust for a volunteer consultant to offer business and strategic support
2. A new management structure curtailed due to the pandemic and financial implications
3. Representatives of the trustees initiated a new weekly meeting with managers
4. Trustees sought business input from three local entrepreneurs
5. The board subscribed to an HR and employment law advice company to have the staffs employment contracts refreshed and Employee Handbook reviewed. The board also used their services to guide them through the redundancy process.

Achievement and performance

- a) Financial survival – the sterling work of staff in fundraising has ensured our survival when other similar charities have struggled.
- b) A limited number of courses were sold and reintroduced during the loosening of restrictions in the summer. This was offered in as Covid secure space as was possible.
- c) As a charity we have maintained a wellbeing offering for this community of participants.
- d) We have maintained, grew and built our friends and support base in the wider community raising several thousands of pounds from personal donations.
- e) We have built resilience and flexibility within the team. This has become apparent in the new approaches to what we offer. We have also used this year to reflect on the business plan and change for the future.
- f) Staff have gained confidence and valuable experience in funding bid writing. Success in attracting large grants including a substantial grant from The Arts Council England and the National Lottery for which we are extremely grateful.
- g) We have maintained the vast majority of our Open Studio subscriptions even whilst users have not been able to access the building. This is a vital stream of income and we would like to thank them for their continued loyalty to the Art House.

ST MATTHEWS HOUSE LIMITED

REPORT OF THE TRUSTEES – Summary of Main Activities (Continued)

FOR THE YEAR ENDED 31 AUGUST 2020

Postscript

At the time of writing we believe that we have weathered the year ending August 2020 reasonably well and since then have continued to maintain an equilibrium. 2021 will be a challenging year for us but we have a clear road map and hope to maintain income from bids in order to take us through to trading once more. The board has commissioned and received a useful report from the Cranfield Trust and is implementing its eleven recommendations. The board has also engaged an experienced and skilled local businessman as a part time consultant strategic lead to take us through this time of change and renewal. Our reserves, though modest, have increased. The Finance Committee has been revitalised and meets on a more regular basis. New high-level statements focusing on our mission and values has been agreed and we are working towards a new operating model and business plan as we come out of the 3rd lockdown. Significant financial savings have been identified and are being implemented. And we have invested in the fabric of our buildings.

Risk Management Statement

The charity trustees have given consideration to the major risks to which the charity is exposed and has satisfied themselves that control systems and procedures are established in order to manage these risks.

ST MATTHEWS HOUSE LIMITED

REPORT OF THE TRUSTEES – *Statement of Directors Responsibilities*

FOR THE YEAR ENDED 31 AUGUST 2020

Statement of Directors Responsibilities

The Directors present their report and the financial statements for the year ended 31 August 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued March 2005.

The Trustees are required by company law to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity and of its financial position at the end of the 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 the policies adopted are in accordance with the Companies Act 2006 and with applicable accounting standards and statement of recommended practice, subject to and material departures disclosed and explained by the financial statements;
- Prepare the financial statements on a going concern basis unless it is inappropriate that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2006. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities. So far as Each of the trustees is aware at the time the report is approved:

- There is no relevant information of which the charitable independent examiners are unaware, and;
- The Trustees have taken steps that they ought to have taken to make themselves aware of any relevant independent examiner information and to establish that the auditors are aware of that information.

Advantage has been taken of the small companies' exemption in the preparation of the trustees report.

Approval

This report was approved by the Board of Trustees and signed on its behalf.

Signed  Date: 22 April 2021

Name: The Rev'd Grant Naylor (Chairman)

ST MATTHEWS HOUSE LIMITED
INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

Independent examiner's report to the trustees of St Matthews House Limited

I report on the accounts of the company for the year ended 31 August 2020, which are set out on pages 13 to 28.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purpose of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Institute of Chartered Accountants in England and Wales.

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 2011 act
- To follow the procedures laid down in the general directions given by the charity commission under section 145 (5)(b) of the 2011 Act
- To state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the 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 you as 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 next statement.

Independent examiner's statement

In connection with my examination, no matters have come to my attention:

(1) Which gives me reasonable cause to believe that in any material respect the requirements:

- To keep accounting records in accordance with section 386 of the Companies Act 2006 and
- To prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of Companies Act 2006 and with the methods and principles of the statement of Recommended Practice: Accounting and Reporting by Charities have not been met or

(2) To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

ST MATTHEWS HOUSE LIMITED
INDEPENDENT EXAMINER'S REPORT - *Continued*
FOR THE YEAR ENDED 31 AUGUST 2020

Andrew Robert Cribb FCA
For and on behalf of Smith Craven Chartered Accountants
Sidings House
Sidings Court
Doncaster
DN4 5NU

Date: 13 May 2021

ST MATTHEW'S HOUSE LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
YEAR TO 31 AUGUST 2020

		Unrestricted Fund 2020 £	Restricted Fund 2020 £	Total Funds 2020 £	Total Funds 2019 £
	Note				
INCOME					
Donations & Grants	2	148,862	31,500	180,362	54,635
Charitable Activities	3	172,014	-	172,014	214,266
Trading Activities	4	59,763	-	59,763	83,386
Room Rental Income	5	15,571	-	15,571	23,735
Investment Income	6	174	-	174	63
TOTAL INCOME		396,384	31,500	427,884	376,084
EXPENDITURE					
Raising Funds	7	7,745	-	7,745	570
Charitable Activities	8	216,481	19,652	236,133	256,037
Trading & Other	10	112,637		112,637	123,535
TOTAL EXPENDITURE		336,862	19,652	356,514	380,142
NET INCOME		59,522	11,484	71,370	(4,058)
Transfer between funds	20	2,900	(2,900)	-	-
Net movement in funds		62,422	8,584	71,370	(4,058)
Total Funds at 1 September 2019		33,728	937,663	971,391	975,449
Total Funds at 31 August 2020	21	96,150	946,611	1,042,761	971,391

The charity has no recognised gains or losses other than the net incoming resources for the above financial period.

All the activities of the charity are classed as continuing.
The attached notes form part of the financial statements.

ST MATTHEW'S HOUSE LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2020

	Note	Unrestricted Fund 2020 £	Restricted Fund 2020 £	Total Funds 2020	Total Funds 2019 £
FIXED ASSETS	14				
Long Leasehold Property		390,319	926,973	1,317,292	1,328,362
Equipment		1,913	-	1,913	2,901
		<u>392,232</u>	<u>926,973</u>	<u>1,319,205</u>	<u>1,331,261</u>
CURRENT ASSETS					
Debtors	16	2,944	-	2,944	4,924
Stock	15	1,849	-	1,849	3,063
Cash at bank and In hand	19	89,404	19,638	109,042	54,814
		<u>94,197</u>	<u>19,638</u>	<u>113,835</u>	<u>62,801</u>
CREDITORS due within one year	17	<u>88,845</u>	<u>-</u>	<u>88,845</u>	<u>110,620</u>
NET CURRENT ASSETS		397,584	946,611	1,344,195	1,283,442
CREDITORS due after more than 1 year	18	301,434	-	301,434	312,051
TOTAL NET ASSETS		<u>96,150</u>	<u>946,611</u>	<u>1,042,761</u>	<u>971,391</u>
Represented By:					
FUNDS OF THE CHARITY		<u>96,150</u>	<u>946,611</u>	<u>1,042,761</u>	<u>971,391</u>
TOTAL FUNDS	21	<u>96,150</u>	<u>946,611</u>	<u>1,042,761</u>	<u>971,391</u>

ST MATTHEW'S HOUSE LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2020

For the period ended 31 August 2020, the company was entitled to exemption under section 477 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 responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Board on 22 April 2021 and signed on its behalf by


.....

Chair

Name: The Rev'd Grant Naylor

The attached notes form part of the financial statements.

ST MATTHEWS HOUSE

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 AUGUST 2020

1. Accounting Policies

1.1 Basis of Preparing Accounts

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

St Matthews House Limited meets the definition of a public benefit under FRS102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Company Status

The Charity is a Company limited by guarantee. The members of the company are the Trustees.

1.3 Going Concern and fundamental uncertainty

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The charity also continues to receive the support of its principal creditors and loan providers to be able to adapt to any changes in the charities circumstances.

However the trustees believe material uncertainties exist (see 1.3a below).

1.3a Going Concern – COVID 19

At the balance sheet date of 31 August 2020, the company made a surplus for the year of £71,370 and had net assets at that date of £1,042,761. The company's turnover from trading activities reduced from the prior year as a result of the coronavirus pandemic and measures taken in the UK to contain it, including the temporary lockdowns imposed in England over the course of the year.

The trustees are satisfied that the entity is a going concern after considering and absorbing the impact of the COVID-19 pandemic. The trustees have concluded that the effects of COVID are non-adjusting to the charities ability to continue delivery of its primary purpose.

However the Trustees recognise fundamental uncertainties of a going concern exist arising from the uncertain pace of recovery of income generated from paid classes etc. together with the inherent risk around future generation of grants.

These circumstances cast significant doubt on the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

ST MATTHEWS HOUSE

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 AUGUST 2020

1.4 Incoming Resources

Grant income is recognised where there is entitlement, receipt of the funds are probable and the amount can be measured with reasonable certainty. If there are conditions attached to the grant and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from charitable activities includes income received under contract and rental income. Contract income is subject to specific performance conditions and is recognised as earned. Income received to deliver services over a specific period covering more than one financial year is accounted for over the specific period. Rental income in the form of housing benefit is recognised in the period to which it relates and rental income received from the service user is recognised on receipt.

Investment income relates to interest earned through holding assets on deposit.

In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised, refer to the trustees report for more information about their contribution.

1.5 Funding

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.6 Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is shown as a separate line under resources expended for comparability to past periods.

1.7 Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

ST MATTHEWS HOUSE

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 AUGUST 2020

1.8 Tangible Fixed Assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated impairment losses.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the expected useful economic life as follows:

Long Leasehold	Straight Line over a 125 Year Lease.
Fixtures & Fittings	25% on Reducing Balance.

The assets residual values and useful life are reviewed, and adjusted as appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

1.9 Debtors

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

1.10 Cash at bank and in hand

Cash at bank and cash in hand Includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 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 after allowing for any trade discounts due.

1.12 Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify 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 amortised cost using the effective interest method.

1.13 Pensions

The charitable company contributes to its parent company's defined contribution pension scheme for employees. The annual contributions payable are charged to the Statement of Financial Activities.

1.14 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.15 Exemption from preparing a cash flow statement

Exemption has been taken from preparing cash flow statements.

ST MATTHEWS HOUSE
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

2. Grant Income and Donations

		Unrestricted Funds 2020 £	Restricted Funds 2020 £	TOTAL 2019 £
Government Grants	2.a	49,029	-	-
Grant Income - Big Lottery		67,505	-	53,370
Grant Income - Tudor Trust		15,000	-	-
Grant Income - The Arts Council		-	31,500	-
Donations		17,328	-	1,265
		<u>148,862</u>	<u>31,500</u>	<u>54,635</u>

2.a Government Grants

		Unrestricted Funds 2020 £	Restricted Funds 2020 £	TOTAL 2019 £
Covid-19 Business Support Grant		25,000	-	-
Job Retention Scheme		24,029	-	-
		<u>49,029</u>	<u>-</u>	<u>-</u>

No unfulfilled conditions or other contingencies attached to the grants recognised in income.

3. Charitable Activities Income

		Unrestricted Funds 2020 £	Restricted Funds 2020 £	TOTAL 2019 £
Pottery		84,048	-	104,272
Art		87,966	-	109,994
		<u>172,014</u>	<u>-</u>	<u>214,266</u>

The income from charitable activities was £172,014 (2019 - £214,266) of which £nil (2019 - £nil) was restricted and £172,014 (2019 - £214,266) was unrestricted.

ST MATTHEWS HOUSE
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

4. Trading Activities Income

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	TOTAL 2020 £	TOTAL 2019 £
Pottery	4,379	-	4,379	8,116
Art	14,990	-	14,990	23,100
Cafe'	31,470	-	31,470	47,352
Other	8,924	-	8,924	4,816
	<u>59,763</u>	<u>-</u>	<u>59,763</u>	<u>83,384</u>

5. Room Rental Income

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	TOTAL 2020 £	TOTAL 2019 £
Exhibition Hire	-	-	-	800
Room Hire	15,571	-	15,571	22,935
	<u>15,571</u>	<u>-</u>	<u>15,571</u>	<u>23,735</u>

6. Investment Income

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	TOTAL 2020 £	TOTAL 2019 £
Bank Interest	174	-	174	63
	<u>174</u>	<u>-</u>	<u>174</u>	<u>63</u>

All of the charitable company's investment income arises from money held in interest bearing deposit accounts.

ST MATTHEWS HOUSE
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

7. Expenditure on Raising Funds

Expenditure on raising funds consists of expenditure incurred processing grant applications. The expense during 2020 was £7,745 (2019 - £570) of which £0 (2019 - £570) was direct costs and £7,745 (2019 - £nil) was support costs.

8. Expenditure on Charitable Activities

	Direct Costs	Support Costs	TOTAL 2020	TOTAL 2019
	£	£	£	£
Pottery & Art	116,845	119,288	236,133	256,607
	<u>116,845</u>	<u>119,288</u>	<u>236,133</u>	<u>256,607</u>

Expenditure on charitable activities total £236,133 (2019 - £256,607) of which £10,619 (2019 - £7,553) relates to restricted funds. Restricted expenditure of £7,790 relates to the depreciation of Leaseholds Property financed from restricted funds. Restricted expenditure also includes £11,862 Expenditure of the Arts Council Grant. See note 9 for allocation of support costs.

9. Allocation of Support Costs on Charitable Activities

	TOTAL 2020	TOTAL 2019
	£	£
Staff	45,914	43,538
Depreciation	7,713	7,553
Office Running	25,540	24,571
Miscellaneous	9,377	10,414
Loan Interest	8,263	12,292
Bank Charges	2,930	3,947
Irrecoverable VAT	15,882	14,886
Governance	3,669	3,151
	<u>119,288</u>	<u>120,352</u>

Miscellaneous expenses includes trivial items which were unable to be allocated.

ST MATTHEWS HOUSE
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

10. Expenditure on Trading Activities

	Direct Costs	Support Costs	TOTAL 2020	TOTAL 2019
	£	£	£	£
Pottery & Art	12,164	35,957	48,121	59,866
Café	59,048	5,468	64,516	63,669
	<u>71,212</u>	<u>41,425</u>	<u>112,637</u>	<u>123,535</u>

Expenditure on trading activities total £105,684 (2019 - £123,535) of which £nil (2019 - £nil) relates to restricted funds. See note 11 for allocation of support costs.

11. Allocation of Support Costs on Trading Activities

	Pottery & Art	Cafe	TOTAL 2020	TOTAL 2019
	£	£	£	£
Staff	10,513	1,598	12,111	10,125
Depreciation	4,423	673	5,096	10,393
Office Running	9,647	1,467	11,114	12,292
Miscellaneous	3,542	539	4,080	5,209
Loan Interest	3,121	475	3,596	6,149
Bank Charges	1,107	168	1,275	1,974
Governance Costs	3,605	548	4,153	3,424
	<u>35,957</u>	<u>5,468</u>	<u>41,425</u>	<u>49,566</u>

12. Fee's for examination of the accounts

Included in Governance Costs are Independent Examlner's Fees of £1,500 (2019 - £1,500).

ST MATTHEWS HOUSE
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

13. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel.

Staff costs were as follows:

	2020	2019
	£	£
Wages and salaries	193,352	171,364
	<u>193,352</u>	<u>171,364</u>

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

2020	2019
Number	Number
<u>15</u>	<u>14</u>

No members of staff received remuneration in excess of £60,000 (2019-None)

14. Tangible Fixed Assets

	Long Leasehold Property	Fixtures & Fittings – Equipment	TOTAL
	£	£	£
Cost:			
Balance at 1 September 2019	1,383,710	32,413	1,416,124
Additions	-	752	752
Balance at 31 August 2020	<u>1,383,710</u>	<u>33,165</u>	<u>1,416,876</u>
Depreciation			
Balance at 1 September 2019	55,348	29,513	84,861
Charge for the Year	11,070	1,739	12,809
Balance at 31 August 2020	<u>66,418</u>	<u>31,252</u>	<u>97,670</u>
Net Book Value at 31 August 2020	<u>1,317,292</u>	<u>1,913</u>	<u>1,319,205</u>
Net Book Value at 31 August 2019	<u>1,328,362</u>	<u>2,901</u>	<u>1,331,262</u>

ST MATTHEWS HOUSE
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

15. Stocks

	2020	2019
	£	£
Stocks held at the year end	1,849	3,063
	<u>1,849</u>	<u>3,063</u>

16. Debtors

	2020	2019
	£	£
Trade Debtors	744	678
Prepayments and Accrued Income	2,200	3,557
Other Debtors	-	689
	<u>2,944</u>	<u>4,924</u>

17. Creditors & Accruals due within one year

	2020	2019
	£	£
Trade Creditors	3,661	14,763
Sundry Creditors & Deposits	3,215	290
PAYE	8	1,754
Accruals	3,191	1,085
Prepaid Trading Income	32,196	35,113
St Matthews PCC	10,899	10,889
Pension	460	392
VAT	13,383	12,248
Loans	21,832	34,076
	<u>88,845</u>	<u>110,620</u>

18. Creditors due after more than 1 year

	2020	2019
	£	£
St Vincent House Loan	135,000	138,787
Charity Bank Loan	166,434	173,264
	<u>301,434</u>	<u>312,051</u>

ST MATTHEWS HOUSE
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

19. Cash at bank and in hand

	2020	2019
	£	£
Cash at bank	109,042	54,274
Cash in hand	-	540
	<u>109,042</u>	<u>54,814</u>

20. Transfer between Funds

	Unrestricted Fund	Restricted Fund	Total 2020	Total 2019
	£	£	£	£
Transfer between funds	<u>2,900</u>	<u>(2,900)</u>	<u>-</u>	<u>-</u>

Transfer between funds performed in the year to move restricted fixed assets brought forward of £2,900 to unrestricted funds. Fixed asset Equipment no longer classified as restricted following a review of the property reserve brought forward from prior years.

ST MATTHEWS HOUSE
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

21. Funds

	At 01.09.19	Incoming Resources	Outgoing Resources	Transfer	At 31.08.20
	£	£	£	£	£
Restricted Income Funds					
Arts Council Grant	-	31,500	(11,862)	-	19,638
	-	31,500	(11,862)	-	19,638
Restricted Fixed Asset Fund					
Property Reserve	934,763	-	(7,790)	-	926,973
Fixtures & Fittings	2,900	-	-	(2,900)	-
	937,663	-	(7,790)	-	926,973
Total Restricted Funds	937,663	31,500	(19,652)	(2,900)	946,611
Unrestricted Funds					
General	15,938	237,201	(216,355)	-	36,784
Donations	-	27,649	27,649	-	-
Grant Income	17,790	131,534	(91,119)	-	58,205
Fixtures & Fittings	-	-	(1,739)	2,900	1,161
Total Unrestricted	33,729	396,384	(336,862)	2,900	96,150
Total Funds	971,391	427,884	(356,514)	-	1,042,761

ST MATTHEWS HOUSE
NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

22. Transactions with trustees and related party

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year. (2019 - £nil)

The charity trustees were not paid or received any other benefits from employment in the year (2019 -£nil).

No charity trustee received payment for professional or other services supplied to the charity (2019-£nil).

Two trustees received a combined amount of £202 for expenses reimbursed. (2019 - £199).

The key management personnel of the charity comprised of 8 Trustees as at the year ending 31st August 2019 (2019: 9). The total employee benefits of the key management personnel of the charity were £nil (2019: £NIL).

23. Operating Lease Commitments

As at 31 August 2020 the charity was not committed to making any payments towards operating leases. (2019 - £nil).

24. Company Limited By Guarantee

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is £10.

25. Tax Status

St Matthews House Limited is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.