COLLAGE ARTS

England & Wales · Charity number 1153366

Details

Status	Registered
Legal form	Charitable company
Company number	02848451
Registered	2013-08-13
Register	View on the Charity Commission register

Contact

Address	Collage Arts Collage Artspace 2 4 Coburg Road Wood Green London N22 6UJ
Phone	0800 009 2970
Email	info@collage-arts.org
Website	www.collage-arts.org

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Activities

Objects: 1) TO FOSTER, PROMOTE, DEVELOP AND ADVANCE THE EDUCATION OF THE PUBLIC RESIDENT, WORKING OR STUDYING IN THE GREATER LONDON AREA, IN ALL ASPECTS OF THE ARTS, IN PARTICULAR BUT NOT EXCLUSIVELY BY:- THE PROVISION AND MAINTENANCE OF A PUBLIC ARTS FACILITY (CURRENTLY KNOWN AS THE CHOCOLATE FACTORY);- THE PROVISION AND ORGANISATION OF EXHIBITIONS, LITERATURE, MUSIC, COMEDY, THEATRE EVENTS AND COMMUNITY FESTIVALS;- THE PROVISION OF EDUCATION, TRAINING OR RETRAINING IN THE ARTS, PARTICULARLY AMONGST PEOPLE IN NEED BY REASON OF THEIR YOUTH, AGE, DISABILITY, ILL-HEALTH, FINANCIAL HARDSHIP OR OTHER SOCIAL OR ECONOMIC DISADVANTAGE- THE RELIEF OF UNEMPLOYMENT AND THE CREATION OF EMPLOYMENT OPPORTUNITIES.2) TO PROMOTE SOCIAL INCLUSION FOR THE PUBLIC BENEFIT BY PREVENTING PEOPLE FROM BECOMING SOCIALLY EXCLUDED, RELIEVING THE NEEDS OF THOSE PEOPLE WHO ARE SOCIALLY EXCLUDED AND ASSISTING THEM TO INTEGRATE INTO SOCIETY BY USING ALL ASPECTS OF THE ARTS, THEORETICAL AND APPLIED, TO IMPROVE LIVES IN THE GREATER LONDON AREA.FOR THE PURPOSE OF THIS CLAUSE ‘SOCIALLY EXCLUDED’ MEANS BEING EXCLUDED FROM SOCIETY, OR PARTS OF SOCIETY, AS A RESULT OF ONE OF MORE OF THE FOLLOWING FACTORS: UNEMPLOYMENT; FINANCIAL HARDSHIP; YOUTH OR OLD AGE; ILL HEALTH (PHYSICAL OR MENTAL); SUBSTANCE ABUSE OR DEPENDENCY INCLUDING ALCOHOL AND DRUGS; DISCRIMINATION ON THE GROUNDS OF SEX, RACE, DISABILITY, ETHNIC ORIGIN, RELIGION, BELIEF, CREED, SEXUAL ORIENTATION OR GENDER RE-ASSIGNMENT; POOR EDUCATIONAL OR SKILLS ATTAINMENT; RELATIONSHIP AND FAMILY BREAKDOWN; POOR HOUSING (THAT IS HOUSING THAT DOES NOT MEET BASIC HABITABLE STANDARDS; CRIME (EITHER AS A VICTIM OF CRIME OR AS AN OFFENDER REHABILITATING INTO SOCIETY.

Activities: To use of the arts, to improve lives in United Kingdom and European area for the public benefit promoting regeneration in areas of social or economic deprivation by any or all of the following means: -promoting and fostering the development of artistic tastes and knowledge and the understanding and appreciation of the arts. - developing a community spirit by organising exhibitions

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Defined Groups

Geography

- Throughout London

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Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,206,051	£1,471,266	£-705,976	7
2023-12-31	£1,468,630	£1,328,694	£258,133	12
2022-12-31	£1,732,632	£1,789,006	£118,197	19
2021-12-31	£1,993,037	£1,957,889	£174,571	18
2020-12-31	£1,452,558	£1,622,782	£139,423	13

Trustees

Name	Role	Appointed
PHILIP SHERMAN	Chair	2013-01-28
ARCHITA KUMAR		2020-01-01
VASANTI HIRANI		2013-01-28
YOUSAF ALI KHAN		2013-01-28
Yana Stajno		2014-07-29

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COLLAGE ARTS

England & Wales - Charity number 1153366

Accounts

COMPANY REGISTRATION NUMBER: 02848451
CHARITY REGISTRATION NUMBER: 1153366

Collage Arts.

Company Limited by Guarantee

Financial Statements

31 December 2024

BRIAN PAUL LIMITED
Chartered Accountants & Statutory Auditors
159A Chase Side
Enfield
Middlesex
EN2 0PW

Collage Arts.

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2024

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Collage Arts.

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2024

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2024.

Reference and administrative details

Registered charity name	Collage Arts.
Charity registration number	1153366
Company registration number	02848451
Principal office and registered office	Collage Artspace 2 4 Coburg Road London N22 6UJ England
The trustees	A Kumar A Richardson (Died 28 March 2025) V Hirani YA Khan Y Stajno P M P Sherman
Company secretary	M Ambasna
Auditor	Brian Paul Limited Chartered Accountants & Statutory Auditors 159A Chase Side Enfield Middlesex EN2 0PW
Bankers	The Co Operative Bank
Solicitors	Derrick Bridges and Co 12 Wood Street Barnet Hertfordshire England EN5 4BQ

Structure, governance and management

Governing Document
The organisation is a charitable company limited by guarantee, incorporated on 27th August 1993 and registered as a charity on 18th December 1999. The powers of the charitable company are governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and appointment of new trustees
The directors of the company are also charity trustees for the purposes of charity law and under the company's articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of six years after which they must be re-elected at the next Annual General Meeting.

In an effort to maintain a complementary skill mix, members of the Management Committee are required to provide a list of their skills (and update it each year) and in the event of the particular skill being lost due to retirement, individuals are approached to offer themselves for election for the Management Committee.

Trustee induction and training
Trustees are invited and encouraged to attend short training sessions on a range of governance issues. Trustees are already familiar with the work of the charity through attending regular events and meetings throughout the year.

Organisational structure
Collage Arts has a Management Committee of up to 8 members who meet every 8 weeks and are responsible for the strategic direction and policy of the charity. At present the Committee has six members from a variety of professional backgrounds relevant to the work of the charity. There are up to 2 council representatives but with no voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Executive Director. The Executive Director is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. Also, he has responsibility for the day to day operational management of the Centre, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Related parties
In so far as it is complimentary to the charity's objects, the charity is guided by both local and national policy. The charity works in partnerships with the local authority and regional development agency, it has also developed partnerships with organisations in the locality and London-wide to deliver the service it offers.

Risk management
The Management Committee has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. The continuing implementation of quality systems like Matrix, Customer First, SQA, Pearson and OCN awarding body

systems, ensure a consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Auditors
Brian Paul Limited were appointed auditors to the company and are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

Objectives and activities

The charity's objects specifically are.

1. To foster, promote, develop and advance the education of the public resident, working or studying in the UK and Europe, in all aspects of the arts, in particular but not exclusively by:

- the provision and maintenance of a public arts facility (currently known as the 'Chocolate Factory');

- the provision and organisation of exhibitions, literature, music, comedy, theatre events and community festivals;

- the provision of education, training or retraining in the arts, particularly amongst people in need by reason of their youth, age, disability, ill-health, financial hardship or other social or economic disadvantage - the relief of unemployment and the creation of employment opportunities.

2. To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society by using all aspects of the arts, theoretical and applied, to improve lives in the UK and Europe.

For the purpose of this clause 'socially excluded' means being excluded from society, or parts of society, as a result of one of more of the following factors:
unemployment; financial hardship;
youth or old age; ill health (physical or mental);
substance abuse or dependency including alcohol and drugs;
discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment;
poor educational or skills attainment;
relationship and family breakdown;
poor housing (that is housing that does not meet basic habitable standards;
crime (either as a victim of crime or as an offender rehabilitating into society).

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

The Double Whammy of BREXIT (2016-2019) & COVID-19 (2020-2021) upturned the Charities Funding Landscape and Opportunities, impacting all our Plans/long-term strategies.

Getting back to the levels of funding pre-2020 has proven exceedingly difficult as the funding world has totally changed post-Brexit / post- pandemic. Meanwhile the short-term leases taken in 2016 were not extended as initial promised. All of the above contributing to the build-up of the current debt.

Older people, Women of Colour, People with physical and hidden disabilities (imental health, Autism/ADHD, visual/hearing impairment, mobility challenges), people who are LGBTQ+/non-binary, Lone Parents and Carers, Refugees and Migrants, People at risk of Homelessness, Families with multi-generational unemployment or poverty stricken, through Collage Community.

Meanwhile the short-term leases taken in 2016 were not extended as initially promised by the landlords. All of the above contributed to the build-up of the current debt.

To meet all the challenges brought about by these significant issues we the Board of trustees are starting to reset the organisation in readiness to establish a sustainable strategy going forward. The strategy to work and survive in the new post austerity, post- pandemic, rising cost of living and inflation era.

We have already taken steps to review all aspects of our services and identified those services that have a future and can grow and those services that we find difficult to deliver in this now very challenging environment. Those services have already been closed and staff made redundant.

The services that have survived, we are now putting onto a growth strategy and developing additional income potential. This will apply to the renting of studios in all our buildings, Karamel the venue and restaurant and McQueens' Theatre.

Side by side with improving earned income, we will continue to prioritise our valuable work with communities. The children and young people's support programmes through Collage Voices and Collage Works. The Older People, People with Disabilities the LGBTQ+ communities through Collage Communities.

Times will be challenging as the Collage team and the Board of Trustees being to navigate new avenues, but we are all determined to make sure full access to the arts for all communities continues and grows.

Financial review

The Income of the Charity for the year ended 31st December 2024 was £1,206,051 (2023: £1,468,630), whereas the costs of Charitable Activities were £1,465,266 (restated 2023: £2,021,588) and Governance Costs were £6,000 (2023: £6,000).

During the year the overall net liability (2023 *restated*: net liability) of the charity increased from £440,761 to a deficit of £705,976.

The income of the charity is primarily derived from grants and rental income. The charity is striving to achieve a policy of maintaining working capital reserves of £100,000.

The charity faces many uncertainties as set out in note 3 to the accounts. The trustees actions and projections arising therefrom lead them to believe that the charity trades as a going concern.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the 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 incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 15th April 2026 and signed on behalf of the board of trustees by:

Vasanti Hirani
Vasanti Hirani (Apr 15, 2026 16:43:43 GMT+1)

V Hirani
Trustee

Collage Arts.

Company Limited by Guarantee

Independent Auditor's Report to the Members of Collage Arts.

Year ended 31 December 2024

Opinion

We have audited the financial statements of Collage Arts. (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 3 in the financial statements, which indicates that the Charity incurred operating losses during the year and, as of the balance-sheet date, its current liabilities exceed its current assets by £705,976. As stated in Note 3, these events and conditions, along with the matters set out in that note regarding the Charity's funding position and forecast cash flows, indicate that a material uncertainty exists that may cast significant doubt on the Charity's ability to continue as a going concern

The Charity's ability to continue as a going concern is dependent on successful refinancing, continued financial support from members, securing additional borrowing facilities and achieving forecast revenues. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Charity's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Our opinion is not modified in respect of this matter

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience of the charity sector;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, UK Taxes Acts, data protection, anti-bribery, employment, environmental and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

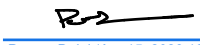
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Parvez Dalal (Apr 15, 2026 16:45:52 GMT+1)

Parvez Dalal (Senior Statutory Auditor)

For and on behalf of
Brian Paul Limited
Chartered Accountants & Statutory Auditors
159A Chase Side
Enfield
Middlesex
EN2 0PW

15th April 2026

Collage Arts.

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2024

	Note	2024 Unrestricted funds £	2024 Restricted funds £	2024 Total funds £	2023 Total funds £
Income and endowments					
Donations and legacies	**5**	82,704	41,719	124,423	482,867
Investment income	**6**	–	–	–	35
Other income	**7**	1,081,628	–	1,081,628	985,728
Total income		1,164,332	41,719	1,206,051	1,468,630
Expenditure					
Expenditure on charitable activities	**8,9**	1,398,693	72,573	1,471,266	2,027,588
Total expenditure		1,398,693	72,573	1,471,266	2,027,588
Net expenditure and net movement in funds		(234,361)	(30,854)	(265,215)	(558,958)
Reconciliation of funds					
Total funds brought forward as previously reported		226,568	31,565	258,133	118,197
Prior year adjustment		(698,894)	–	(698,894)	–
Total funds brought forward as restated		(472,326)	31,565	(440,761)	118,197
Total funds carried forward		(706,687)	711	(705,976)	(440,761)

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 to 29 form part of these financial statements.

Collage Arts.

Company Limited by Guarantee

Statement of Financial Position

31 December 2024

	Note	2024 £	2023 *(restated)* £
Fixed assets			
Tangible fixed assets	**15**	673,109	715,659
Current assets			
Debtors	**16**	242,037	408,942
Cash at bank and in hand		1	15,032
		242,038	423,974
Creditors: amounts falling due within one year	**18**	1,548,295	1,382,249
Net current liabilities		1,306,257	958,275
Total assets less current liabilities		(633,148)	(242,616)
Creditors: amounts falling due after more than one year	**19**	72,828	198,145
Net liabilities		(705,976)	(440,761)
Funds of the charity			
Restricted funds		711	31,565
Unrestricted funds		(706,687)	(472,326)
Total charity funds	**22**	(705,976)	(440,761)

These financial statements were approved by the board of trustees and authorised for issue on 15 April 2026, and are signed on behalf of the board by:

Vasanti Hirani
Vasanti Hirani (Apr 15, 2026 16:43:43 GMT+1)

V Hirani
Trustee

The notes on pages 16 to 29 form part of these financial statements.

Collage Arts.

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2024

	Note	2024 £	2023 *(restated)* £
Cash flows from operating activities			
Net expenditure		(265,215)	(558,958)
Adjustments for:			
Depreciation of tangible fixed assets		53,479	50,269
Other interest receivable and similar income		–	(35)
Interest payable and similar charges		27,380	41,315
Accrued expenses		22,461	60,360
Changes in:			
Trade and other debtors		154,742	24,933
Trade and other creditors		48,485	514,506
Cash generated from operations		41,332	132,390
Interest paid		(27,380)	(41,315)
Interest received		–	35
Net cash from operating activities		13,952	91,110
Cash flows from investing activities			
Purchase of tangible assets		(10,929)	(32,119)
Net cash used in investing activities		(10,929)	(32,119)
Cash flows from financing activities			
Proceeds from borrowings		(18,054)	(34,624)
Net cash used in financing activities		(18,054)	(34,624)
Net (decrease)/increase in cash and cash equivalents		(15,031)	24,367
Cash and cash equivalents at beginning of year		15,032	(9,335)
Cash and cash equivalents at end of year	**17**	1	15,032

The notes on pages 16 to 29 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Collage Artspace 2, 4 Coburg Road, London, N22 6UJ, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis, which assumes that the charity will continue to operate for at least 12 months from the date of approval of these financial statements.

During the audit for the year ended 31 December 2024, the trustees identified a substantial additional liability payable to the landlord arising from historic rent underpayments. This has resulted in a material increase in rental expenses for the year December 2023 as restated, and an increase in creditors falling due within one year to £1,548,295. At 31 December 2024 the charity had net liabilities of £705,976 (2023 restated: net liability of £440,761) and cash at bank and in hand of £1 with an overdraft of £6,819.

The trustees have negotiated an agreement with the landlord to repay the historic rent underpayment over a period of 10 years, while remaining up to date with current rent liabilities. They have also implemented measures to reduce costs, closely monitor expenditure on charitable activities, and increase income from grants, rental income and other activities, and they hold regular meetings with the company secretary and senior management to monitor cash flow and financial performance.

The trustees have prepared cash flow forecasts and projections covering a period of at least 12 months from the date of approval of these financial statements, taking into account the rent repayment plan, existing borrowing facilities and the planned cost reductions and income generation. These forecasts indicate that, assuming successful delivery of the planned actions and continued support from key stakeholders, the charity should be able to meet its liabilities as they fall due.

However, the combination of the net liability position, low levels of liquid reserves and dependence on achieving the planned improvements in financial performance represents a material uncertainty that may cast significant doubt on the charity’s ability to continue as a going concern. Notwithstanding this material uncertainty, the trustees believe that it remains appropriate to prepare the financial statements on a going concern basis.

3. Accounting policies *(continued)*

Critical judgements in applying accounting policies
In preparing these financial statements, the trustees have made the following critical judgements, apart from those involving estimations, that have the most significant effect on the amounts recognised:

Going concern : The trustees have assessed the charity's ability to continue as a going concern for at least 12 months from the date of approval of the financial statements, taking into account its net liability position, cash flow forecasts, the rent repayment agreement with the landlord and the cost reduction and income generation plans described in note 3 and in the trustees' report. On the basis of this assessment, the financial statements have been prepared on a going concern basis, notwithstanding the material uncertainty disclosed in note 3.

Classification of activities and expenditure: The trustees have exercised judgement in determining the allocation of income and expenditure between charitable activities, raising funds and support costs, based on the underlying substance of transactions and the requirements of the Charities SORP.

Key sources of estimation uncertainty
The preparation of financial statements in conformity with FRS 102 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of income and expenditure during the reporting period. The estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

The estimates and assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Measurement and repayment profile of historic rent liability: The liability arising from historic rent underpayments is based on management's assessment of the amount due under the lease arrangements, the agreed repayment schedule with the landlord and the discounting (if applicable) of future payments where the effect is material. Changes in the timing or terms of the repayment, or in assumptions about the charity's ability to adhere to the repayment plan, could result in a material adjustment to the carrying amount of the liability.

I**mpairment of leasehold improvements and other fixed assets:** Where there are indicators of impairment arising from the charity's financial position or from changes in use of property, plant and equipment, the recoverable amount is estimated based on the higher of value in use and fair value less costs to sell. These calculations require estimates of future cash flows and appropriate discount rates, and a change in these assumptions could lead to a material change in the impairment recognised.

Accrued income and deferred income on grants and contracts: Income from grants and contracts is recognised based on an assessment of when performance-related conditions have been met. Estimates are required to determine the proportion of work completed at the balance sheet date, the likelihood of clawback and the amount of any related accrual or deferral. Changes in project delivery or funder assessments could result in material adjustments in the next financial year.

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

3. Accounting policies ***(continued)***

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

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

Short leasehold property	-	Over the period of lease
Fixtures and fittings	-	25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The Company is a company Limited by Guarantee. Under the terms of the company's Memorandum of Association, every member of the Association undertakes to contribute to the assets in the event that the company is wound up during the time that he is a member (or within one year of ceasing to be a member) and should the assets of the company be insufficient to meet its liabilities on winding up. The extent of each members contribution to the assets in such circumstances is however limited to a maximum of ten pounds sterling.

5. Donations and legacies

	Unrestricted Funds	Restricted Funds	**Total Funds 2024**
	£	£	**£**
Grants			
General grants	82,704	–	82,704
Big Issue Invest Access Reach Fund	–	–	–
Jack Petchey Foundation	–	3,490	3,490
European Social Fund	–	–	–
PRS Foundation	–	–	–
Jumbo Trust	–	4,582	4,582
BBC Children In Need	–	13,920	13,920
Collage Works	–	–	–
Big Issue Invest Social Enterprise Fund	–	4,400	4,400
Paul Hamlyn Foundation	–	–	–
Haringey Council	–	1,000	1,000
Creative Academy	–	–	–
Other grants	–	4,343	4,343
Tottenham Grammar School Foundation	–	5,000	5,000
Windrush Community Fund	–	–	–
Sponsorship			
Berkeley Group	–	4,984	4,984
	82,704	41,719	124,423

	Unrestricted Funds	Restricted Funds	Total Funds 2023 *(restated)*
	£	£	£
Grants			
General grants	187,568	–	187,568
Big Issue Invest Access Reach Fund	–	15,000	15,000
Jack Petchey Foundation	–	2,300	2,300
European Social Fund	–	62,953	62,953
PRS Foundation	–	4,500	4,500
Jumbo Trust	–	–	–
BBC Children In Need	–	13,920	13,920
Collage Works	–	95,079	95,079
Big Issue Invest Social Enterprise Fund	–	–	–
Paul Hamlyn Foundation	–	56,486	56,486
Haringey Council	–	11,730	11,730
Creative Academy	–	2,186	2,186
Other grants	–	–	–
Tottenham Grammar School Foundation	–	7,000	7,000
Windrush Community Fund	–	19,550	19,550

5. Donations and legacies *(continued)*

	Unrestricted Funds	Restricted Funds	Total Funds 2023 *(restated)*
	£	£	£
Sponsorship			
Berkeley Group	–	4,595	4,595
	187,568	295,299	482,867

6. Investment income

	Unrestricted Funds	**Total Funds 2024**	Unrestricted Funds	Total Funds 2023 *(restated)*
	£	**£**	£	£
Bank interest receivable	–	–	35	35

7. Other income

	Unrestricted Funds	**Total Funds 2024**	Unrestricted Funds	Total Funds 2023 *(restated)*
	£	**£**	£	£
Rental income	938,572	938,572	895,100	895,100
Other incoming resources	18,589	18,589	18,875	18,875
Grassroots Live Music Venue and Events Programme	124,467	124,467	71,753	71,753
	1,081,628	1,081,628	985,728	985,728

8. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	**Total Funds 2024**
	£	£	**£**
General donations	1,300,942	42,364	1,343,306
	–	–	–
London Youth	–	–	–
Kickstart	–	–	–
BBC Children in Need	–	–	–
European Social Fund	–	30,209	30,209
Creative academy	–	–	–
Tottenham Grammer School Foundation	–	–	–
Arts council	1,292	–	1,292
Collage works	–	–	–
Haringey Council	–	–	–
Jack Petchey Foundation	–	–	–
Paul Hamlyn Foundation	–	–	–
Berkeley Group	–	–	–
Grassroots Live Music Venue and Events			
Programme purchases	90,459	–	90,459
Support costs	6,000	–	6,000
	1,398,693	72,573	1,471,266

	Unrestricted Funds	Restricted Funds	Total Funds 2023 *(restated)*
	£	£	£
General donations	1,656,610	1,496	1,658,106
	–	15,000	15,000
London Youth	–	18,559	18,559
Kickstart	–	8,853	8,853
BBC Children in Need	–	13,920	13,920
Windrush Community Fund	–	5,490	5,490
European Social Fund	–	58,089	58,089
Creative academy	–	2,186	2,186
Tottenham Grammer School Foundation	–	7,000	7,000
Arts council	8,700	–	8,700
Collage works	–	94,921	94,921
Haringey Council	–	11,730	11,730
Jack Petchey Foundation	–	2,300	2,300
Paul Hamlyn Foundation	–	56,069	56,069
Berkeley Group	–	4,594	4,594
Grassroots Live Music Venue and Events			
Programme purchases	56,071	–	56,071
Support costs	6,000	–	6,000
	1,727,381	300,207	2,027,588

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	**Total funds 2024**	Total fund 2023
	£	£	**£**	£
General donations	1,343,306	–	1,343,306	1,658,106
	–	–	–	15,000
London Youth	–	–	–	18,559
Kickstart	–	–	–	8,853
BBC Children in Need	–	–	–	13,920
Windrush Community Fund	–	–	–	5,490
European Social Fund	30,209	–	30,209	58,089
Creative academy	–	–	–	2,186
Tottenham Grammer School Foundation	–	–	–	7,000
Arts council	1,292	–	1,292	8,700
Collage works	–	–	–	94,921
Haringey Council	–	–	–	11,730
Jack Petchey Foundation	–	–	–	2,300
Paul Hamlyn Foundation	–	–	–	56,069
Berkeley Group	–	–	–	4,594
Grassroots Live Music Venue and Events Programme purchases	90,459	–	90,459	56,071
Governance costs	–	6,000	6,000	6,000
	1,465,266	6,000	1,471,266	2,027,588

10. Net expenditure

Net expenditure is stated after charging/(crediting):

	2024	2023 *(restated)*
	£	£
Depreciation of tangible fixed assets	53,479	50,269

11. Auditors remuneration

	2024	2023 *(restated)*
	£	£
Fees payable for the audit of the financial statements	6,000	6,000

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023 *(restated)*
	£	£
Wages and salaries	234,269	309,388
Social security costs	15,019	23,083
Employer contributions to pension plans	4,883	5,910
	254,171	338,381

The average head count of employees during the year was 8 (2023: 12). The average number of full-time equivalent employees during the year is analysed as follows:

	2024	2023
	No.	No.
Number of staff – operations	6	10
Number of staff - management	2	2
	8	12

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

13. Trustee remuneration and expenses

There were no trustees remuneration or benefits for the year ended 31st December 2024 nor for the year ended 31st December 2023.

There were no trustees expenses paid for the year ended 31st December 2024 nor for the year ended 31st December 2023.

14. Analysis of expenses

	2024	restated 2023
	£	£
Training fees	153,496	227,032
Rental costs	714,124	1,292,313
Office costs	42,095	38,509
Legal and professional	6,000	7,415
Event costs	63,925	53,027
Bank and loan interest charges	27,380	41,615
Staff costs and employer NI	254,171	301,608
Premises and computer costs	7,992	9,800
Support costs	6,000	6,000
Depreciation	53,479	50,269
Bad debt	142,604	–
	1,471,266	2,027,588

15. Tangible fixed assets

	Short leasehold property £	Fixtures and fittings £	User defined asset £	**Total £**
Cost				
At 1 January 2024 (as restated)	1,653,860	563,973	62,300	2,280,133
Additions	10,129	–	800	10,929
At 31 December 2024	1,663,989	563,973	63,100	2,291,062
Depreciation				
At 1 January 2024	1,019,128	545,346	–	1,564,474
Charge for the year	36,651	16,828	–	53,479
At 31 December 2024	1,055,779	562,174	–	1,617,953
Carrying amount				
At 31 December 2024	608,210	1,799	63,100	673,109
At 31 December 2023	634,732	18,627	62,300	715,659

16. Debtors

	2024	2023 *(restated)*
	£	£
Trade debtors	177,605	282,276
Prepayments and accrued income	28,343	38,188
Other debtors	36,089	88,478
	242,037	408,942

17. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2024	2023 *(restated)*
	£	£
Cash at bank and in hand	1	15,032
Bank overdrafts	(6,819)	–
	(6,818)	15,032

18. Creditors: amounts falling due within one year

	2024	2023 *(restated)*
	£	£
Bank loans and overdrafts	59,559	47,575
Trade creditors	1,254,543	1,126,432
Accruals and deferred income	21,633	18,403
Social security and other taxes	111,053	123,723
Other creditors	101,507	66,116
	1,548,295	1,382,249

19. Creditors: amounts falling due after more than one year

	2024	2023 *(restated)*
	£	£
Bank loans and overdrafts	67,773	97,811
Other creditors	5,055	100,334
	72,828	198,145

Bank loans are secured against the lease of Chocolate Factory 2.

20. Deferred income

	2024	2023 *(restated)*
	£	£
Amount deferred in year	–	7,068

21. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £4,883 (2023: £5,910).

22. Analysis of charitable funds

Unrestricted funds

	At 1 January 2024	Income	Expenditure	Prior year adjustments	**At 31 December 2024**
	£	£	£	£	£
General funds	226,568	1,164,332	(1,398,693)	(698,894)	(706,687)

	At 1 January 2023	Income	Expenditure	Prior year adjustments	At 31 December 2023
	£	£	£	£	£
General funds	81,724	1,173,331	(1,727,381)	–	(472,326)

Restricted funds

	At 1 January 2024	Income	Expenditure	Prior year adjustments	**At 31 December 2024**
	£	£	£	£	£
London Youth	–	41,719	(72,573)	–	(30,854)
European	–	–	–	–	–
Capital Grant	31,565	–	–	–	31,565
Collage Works	–	–	–	–	–
Kickstart	–	–	–	–	–
	31,565	41,719	(72,573)	–	711

	At 1 January 2023	Income	Expenditure	Prior year adjustments	At 31 December 2023
	£	£	£	£	£
London Youth	–	295,299	(300,207)	–	(4,908)
European	(1,765)	–	–	–	(1,765)
Capital Grant	34,397	–	–	–	34,397
Collage Works	(160)	–	–	–	(160)
Kickstart	4,001	–	–	–	4,001
	36,473	295,299	(300,207)	–	31,565

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2024 £**
Tangible fixed assets	673,109	–	673,109
Current assets	241,327	711	242,038
Creditors less than 1 year	(1,548,295)	–	(1,548,295)
Creditors greater than 1 year	(72,828)	–	(72,828)
Net liabilities	(706,687)	711	(705,976)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	715,659	–	715,659
Current assets	392,409	31,565	423,974
Creditors less than 1 year	(1,519,342)	–	(1,519,342)
Creditors greater than 1 year	(198,145)	–	(198,145)
Net liabilities	(609,419)	31,565	(577,854)

24. Prior year adjustments

The financial statements for the year ended 31 December 2024 include a material prior period adjustment relating to the omission of a rent expense accrual in the financial statements for the year ended 31 December 2023.

An accrual of £698,894 has now been recognised for rental expense that should have been included as at 31 December 2023. This has resulted in the restatement of the comparative figures for the prior year in these financial statements.

The nature of the adjustment is the correction of a prior period error in accordance with FRS 102. The corresponding liability has been recognised in the restated balance sheet as at 31 December 2023, with the expense charged against the relevant fund(s) in that period.

25. Analysis of changes in net debt

	At 1 Jan 2024 £	Cash flows £	**At 31 Dec 2024 £**
Cash at bank and in hand	15,032	(15,031)	1
Bank overdrafts	–	(6,819)	(6,819)
Debt due within one year	(47,575)	(5,165)	(52,740)
Debt due after one year	(97,811)	30,038	(67,773)
	(130,354)	3,023	(127,331)

26. Related parties

There are no related party transactions to disclose in the current year and previous year.

COLLAGE ARTS

England & Wales - Charity number 1153366

Accounts

COMPANY REGISTRATION NUMBER: 02848451
CHARITY REGISTRATION NUMBER: 1153366

Collage Arts.

Company Limited by Guarantee

Financial Statements

31 December 2023

BRIAN PAUL LIMITED
Chartered Accountants & Statutory Auditor
Chase Green House
42 Chase Side
Enfield
Middlesex
EN2 6NF

Collage Arts.

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2023

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Collage Arts.

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2023.

Reference and administrative details

Registered charity name	Collage Arts.
Charity registration number	1153366
Company registration number	02848451
Principal office and registered office	The Chocolate Factory 4 Coburg Road London N22 6UJ England
The trustees	P M P Sherman V Hirani A Richardson YA Khan Y Stajno A Kumar
Company secretary	M Ambasna
Auditor	Brian Paul Limited Chartered Accountants & Statutory Auditor Chase Green House 42 Chase Side Enfield Middlesex EN2 6NF
Solicitors	Derrick Bridges and Co 12 Wood Street Barnet Hertfordshire England EN5 4BQ

Structure, governance and management

Governing Document
The organisation is a charitable company limited by guarantee, incorporated on 27th August 1993 and registered as a charity on 18th December 1999. The powers of the charitable company are governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and appointment of new trustees
The directors of the company are also charity trustees for the purposes of charity law and under the company's articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of six years after which they must be re-elected at the next Annual General Meeting.

In an effort to maintain a complementary skill mix, members of the Management Committee are required to provide a list of their skills (and update it each year) and in the event of the particular skill being lost due to retirement, individuals are approached to offer themselves for election for the Management Committee.

Trustee induction and training
Trustees are invited and encouraged to attend short training sessions on a range of governance issues. Trustees are already familiar with the work of the charity through attending regular events and meetings throughout the year.

Organisational structure
Collage Arts has a Management Committee of up to 8 members who meet every 8 weeks and are responsible for the strategic direction and policy of the charity. At present the Committee has six members from a variety of professional backgrounds relevant to the work of the charity. There are up to 2 council representatives but with no voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Executive Director. The Executive Director is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. Also, he has responsibility for the day-to-day operational management of the Centre, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Related parties
In so far as it is complimentary to the charity's objects, the charity is guided by both local and national policy. The charity works in partnerships with the local authority and regional development agency, it has also developed partnerships with organisations in the locality and London-wide to deliver the service it offers.

Risk management
The Management Committee has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. The continuing implementation of quality systems like Matrix, Customer First, OCR, EdExcel and OCN awarding body

systems, ensure a consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Auditors
Brian Paul Limited were appointed auditors to the company and are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

Objectives and activities

The charity's objects specifically are;
1. To foster, promote, develop and advance the education of the public resident, working or studying in the Greater London area, in all aspects of the arts, in particular but not exclusively by: - the provision and maintenance of a public arts facility (currently known as the 'Chocolate Factory'); - the provision and organisation of exhibitions, literature, music, comedy, theatre events and community festivals; - the provision of education, training or retraining in the arts, particularly amongst people in need by reason of their youth, age, disability, ill-health, financial hardship or other social or economic disadvantage - the relief of unemployment and the creation of employment opportunities.

2. To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society by using all aspects of the arts, theoretical and applied, to improve lives in the Greater London area. - For the purpose of this clause 'socially excluded' means being excluded from society, or parts of society, as a result of one of more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards; crime (either as a victim of crime or as an offender rehabilitating into society).

The main objectives and activities for the year continued to focus upon;- The management of Collage Arts spaces 1, 2, 3 and the new space 4
- The provision of training aimed at young people and marginalised sections of the community to assist in relieving unemployment, providing vocational training, mentoring and development of social inclusion; - The provision of Information, Advice and Guidance (IAG) and ongoing support specifically aimed at long term unemployed and economically inactive BAME women in to Employment, Enterprise and Training. - The delivery of three European projects, Talent Matching, AMICO and CREUS.- The organising of community festivals, exhibitions, literature, music, theatre and children's theatre.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

The Trustees Report for 2023 highlights the challenges faced by Collage Arts in the aftermath of the Covid-19 pandemic and the additional strain posed by the cost-of-living crises, including rising utilities and inflation costs, also the final part of European funding (3 projects) came to an end with Brexit. Despite these difficulties, Collage Arts managed to adapt and continue its mission of supporting its communities and promoting artists and creativity. Highlighted below are some of the key achievements of 2023.

1.Challenges of 2023: The year was characterised by the challenges of recovering from the pandemic and adjusting to a post-COVID landscape, exacerbated by rising costs.

2.The first casualty of the changing funding landscape for charities like Collage Arts, was the closure of Collage Works as we were not able to raise the funding required to continue our support of Young Adults and Entrepreneurship. We had to let go of three very experienced members of staff with heavy sadness. Later in 2023, we were able to develop a partnership with CLOCK Your Skills Creative Boot Camps which has enabled us to continue to support Young Adults into employment and enterprise.

3.Collage Voices continued to provide Saturday classes in performance, theatre, creative writing, and digital music for over 150 young people. The Paul Hamlyn Foundation Teacher Development Fund Project, Voices for the Future funded further work with six Primary schools in Haringey, allowing Collage Voices to place established artists in all six schools and leading to improved attainment levels. Other projects of note in 2023 were Continuation of Windrush Community support, with more intergenerational projects with local Secondary schools and Windrush Elders which led to 4 Primary school books display campaign, working with 4 Secondary schools published that re-told the history of four people who came on the HMT Empire Windrush and how their professions impacted Britain positively forever. Copies of the 4 books were given to every Primary School in Haringey (66) and the resulting exhibition of the whole project was displayed twice in 2023.

4.Collage Community continued to support the All-Nations Well-Being Group for the elderly and vulnerable people from Caribbean Windrush communities They met every week with lunch to meet and various arts activities. All Nations grew in 2023 with the group growing and becoming more diverse and inclusive. All the members have physical disabilities including poor mobility, or mental health conditions, and life changing health conditions.

5.Karamel returned into action under Collage Arts management with both chefs having recovered from Long Covid. Initially opening on Thursdays and Friday evenings only when an event was scheduled and at the weekends from 1pm to 10pm. The new Karamel has become a venue first and this approach has been very successful. At the end of 2023 the jazz programming had risen to number 7 as a jazz club in London and the Vegan Sunday Roast won the best Vegan Roast title with the London Vegans Website.

6.Despite the challenges faced, Collage Arts continued to deliver programmes and projects that supported over 3000 young people, initiated support projects for the elderly and those experiencing mental health issues and continued to serve the broader community of artists and musicians across London.

7.The Trustees and Senior Management worked very hard on stabilising the strategy put in place in 2022. They followed and monitored the strategy very closely and made sure it brought about the changes and impact required. Profitability and reserves remained the priority focus, and this led to a sharp focus of both McQueen's and Karamel income to maximise profit for the organisation.

8.To overcome difficult funding landscape, more partnerships developed with CLOCK, mentioned above Hustle Wrestling Training School, the Vegan Community and meetups and several fundraising events were organised throughout the year by Collage Voices.

Financial review

The Income of the Charity for the year ended 31st December 2023 was £1,468,630 (2022: £1,732,632), whereas the costs of Charitable Activities were £1,322,694 (2022: £1,782,046) and Governance Costs were £6,000 (2022: £6,960).

During the year the overall net asset of the charity increased from £118,197 to £258,133.

The income of the charity is primarily derived from grants and rental income. The charity is striving to achieve a policy of maintaining working capital reserves of £100,000.

The charity faces many uncertainties as set out in note 3 to the accounts. The trustee's actions and projections arising therefrom lead them to believe that the charity trades as a going concern.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the 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 incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 11 November 2024 and signed on behalf of the board of trustees by:

V Hirani
Trustee

Opinion

We have audited the financial statements of Collage Arts. (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We draw attention to note 3 in the financial statements, which indicates the steps being taken to overcome the effect of Covid-19. These uncertain conditions have been considered and our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience of the charity sector;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, UK Taxes Acts, data protection, anti-bribery, employment, environmental and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Parvez Dalal ..... **(Senior Statutory Auditor)**

For and on behalf of
Brian Paul Limited
Chartered Accountants & statutory auditor
Chase Green House
42 Chase Side
Enfield
Middlesex
EN2 6NF

Date..... 13/11/2024

Collage Arts.

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2023

	Note	2023 Unrestricted funds £	2023 Restricted funds £	2023 **Total funds** £	2022 Total funds £
Income and endowments					
Donations and legacies	**5**	187,568	295,299	482,867	646,810
Investment income	**6**	35	–	35	–
Other income	**7**	985,728	–	985,728	1,085,822
Total income		1,173,331	295,299	1,468,630	1,732,632
Expenditure					
Expenditure on charitable activities	**8,9**	1,028,487	300,207	1,328,694	1,789,006
Total expenditure		1,028,487	300,207	1,328,694	1,789,006
Net income/(expenditure) and net movement in funds		144,844	(4,908)	139,936	(56,374)
Reconciliation of funds					
Total funds brought forward		81,724	36,473	118,197	174,571
Total funds carried forward		226,568	31,565	258,133	118,197

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Collage Arts.

Company Limited by Guarantee

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	**15**	715,659	733,809
Current assets			
Debtors	**16**	408,942	493,860
Cash at bank and in hand		23,115	104
		432,057	493,964
Creditors: amounts falling due within one year	**18**	688,201	900,856
Net current liabilities		256,144	406,892
Total assets less current liabilities		459,515	326,917
Creditors: amounts falling due after more than one year	**19**	201,382	208,720
Net assets		258,133	118,197
Funds of the charity			
Restricted funds		31,565	36,473
Unrestricted funds		226,568	81,724
Total charity funds	**22**	258,133	118,197

These financial statements were approved by the board of trustees and authorised for issue on ....11 November 2024..... and are signed on behalf of the board by:

V Hirani
Trustee

The notes on pages 16 to Error! Bookmark not defined. form part of these financial statements.

Collage Arts.

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net income/(expenditure)		139,936	(56,374)
Adjustments for:			
Depreciation of tangible fixed assets		50,269	50,779
Other interest receivable and similar income		(35)	–
Interest payable and similar charges		41,315	39,275
Accrued expenses/(income)		60,360	(59,976)
Changes in:			
Trade and other debtors		24,933	11,408
Trade and other creditors		(184,388)	68,877
Cash generated from operations		132,390	53,989
Interest paid		(41,315)	(39,275)
Interest received		35	–
Net cash from operating activities		91,110	14,714
Cash flows from investing activities			
Purchase of tangible assets		(32,119)	(55,432)
Net cash used in investing activities		(32,119)	(55,432)
Cash flows from financing activities			
Proceeds from borrowings		(34,624)	(12,398)
Net cash used in financing activities		(34,624)	(12,398)
Net increase/(decrease) in cash and cash equivalents		24,367	(53,116)
Cash and cash equivalents at beginning of year		(9,335)	43,781
Cash and cash equivalents at end of year	**17**	15,032	(9,335)

The notes on pages 16 to Error! Bookmark not defined. **form part of these financial statements.**

1. General information

The charity is a public benefit entity, and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Chocolate Factory, 4 Coburg Road, London, N22 6UJ, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

In light of the post covid-19 world and war in Europe the trustees have considered the future trading projections. In consideration of these projections the directors are monitoring both and have taken various steps to improve short term cash flow and long-term sustainability.

Strategies and policies to manage the evolving developments have been implement by them, specifically.

- Repositioning project uptake and progress
- Changing its way of working to the use of a remote office
- Moving delivery of project online
- Identifying new Patrons to support specific project delivery
- Getting support from funders already funding the organisation like Big Issue Invest and IWOCA
- Implementing a cost reduction package

The director's projections lead them to believe that the charity has sufficient resources to bear the global impact within its particular sector.

Judgements and key sources of estimation uncertainty

In producing these accounts, the trustees have considered accounting policies & relevant estimates. In the trustee's opinion and to the best of their knowledge significant accounting entries are based upon facts. However, these accounts do include estimates in relation to useful life of assets and immaterial prepayments and accruals.

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

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

Short leasehold property	-	Over the period of lease
Fixtures and fittings	-	25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The Company is a company Limited by Guarantee. Under the terms of the company's Memorandum of Association, every member of the Association undertakes to contribute to the assets in the event that the company is wound up during the time that he is a member (or within one year of ceasing to be a member) and should the assets of the company be insufficient to meet its liabilities on winding up. The extent of each members contribution to the assets in such circumstances is however limited to a maximum of ten pounds sterling.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Grants			
General grants	187,568	–	187,568
Access Reach	–	15,000	15,000
Jack Petchey	–	2,300	2,300
European	–	62,953	62,953
Arts Council	–	–	–
PRS Foundation	–	4,500	4,500
St Williams	–	4,595	4,595
Jumbo	–	–	–
Collage Works	–	95,079	95,079
Big Issue	–	–	–
Alexander Primary	–	56,486	56,486
Haringey Council	–	11,730	11,730
Future Wood Green	–	–	–
Creative Academy	–	2,186	2,186
Tottenham Grammar	–	7,000	7,000
Windrush	–	18,560	18,560
Kickstart	–	–	–
Home Office	–	990	990
BBC 1 Children in Need	–	13,920	13,920
	187,568	295,299	482,867

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Grants			
General grants	123,105	–	123,105
Access Reach	–	–	–
Jack Petchey	–	11,400	11,400
European	–	40,000	40,000
Arts Council	–	1,840	1,840
PRS Foundation	–	–	–
St Williams	–	7,300	7,300
Jumbo	–	18,120	18,120
Collage Works	–	61,962	61,962
Big Issue	–	39,468	39,468
Alexander Primary	–	52,866	52,866
Haringay Council	–	47,324	47,324
Future Wood Green	–	10,000	10,000
Creative Academy	–	41,473	41,473
Tottenham Grammar	–	–	–
Windrush	–	–	–
Kickstart	–	191,952	191,952

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Home Office	–	–	–
BBC Children in Need	–	–	–
	123,105	523,705	646,810

6. Investment income

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	35	35	–	–

7. Other income

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Other income - Rental income	895,100	895,100	1,043,452	1,043,452
Other incoming resources	18,875	18,875	42,364	42,364
Karamel Restaurant	71,753	71,753	6	6
	985,728	985,728	1,085,822	1,085,822

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
General donations	957,716	1,496	959,212
Access Reach	–	15,000	15,000
Windrush	–	18,559	18,559
Kickstart	–	8,853	8,853
BBC Children in Need	–	13,920	13,920
PRS & Home Office	–	5,490	5,490
European Projects	–	58,089	58,089
Creative Academy	–	2,186	2,186
Tottenham Grammar	–	7,000	7,000
Arts Council	8,700	–	8,700
Collage Works	–	94,921	94,921
Haringey Council	–	11,730	11,730
Jumbo	–	–	–
Big Issue	–	–	–
Jack Petchey	–	2,300	2,300
Alexander Primary	–	56,069	56,069
Alexander Primary	–	–	–
Future Wood Green	–	–	–
St William	–	4,594	4,594
Karamel Restaurant	56,071	–	56,071
Support costs	6,000	–	6,000
	1,028,487	300,207	1,328,694

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
General donations	1,200,317	1,496	1,201,813
Access Reach	–	–	–
Windrush	–	8,173	8,173
Kickstart	–	177,179	177,179
BBC Children in Need	–	–	–
PRS & Home Office	–	–	–
European Projects	–	90,915	90,915
Creative Academy	–	41,474	41,474
Tottenham Grammar	–	–	–
Arts Council	–	1,840	1,840
Collage Works	–	66,205	66,205
Haringey Council	–	47,325	47,325
Jumbo	–	18,120	18,120
Big Issue	–	39,467	39,467
Jack Petchey	–	11,400	11,400
Alexander Primary	–	52,866	52,866
Future Wood Green	–	10,000	10,000
St Williams	–	7,300	7,300
Karamel Restaurant	7,971	–	7,971

Support costs	6,960	–	6,960
	1,215,248	573,758	1,789,006

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2023 £**	Total fund 2022 £
General donations	959,212	–	959,212	1,201,813
Access Reach	15,000	–	15,000	–
Windrush	18,559	–	18,559	8,173
Kickstart	8,853	–	8,853	177,179
BBC Children in Need	13,920	–	13,920	–
PRS & Home Office	5,490	–	5,490	–
European Projects	58,089	–	58,089	90,915
Creative Academy	2,186	–	2,186	41,474
Tottenham Grammar	7,000	–	7,000	–
Arts Council	8,700	–	8,700	1,840
Collage Works	94,921	–	94,921	66,205
Haringey Council	11,730	–	11,730	47,325
Jumbo	–	–	–	18,120
Big Issue	–	–	–	39,467
Jack Petchey	2,300	–	2,300	11,400
Alexander Primary	56,069	–	56,069	52,866
Future Wood Green	–	–	–	10,000
St Williams	4,594	–	4,594	7,300
Karamel Restaurant	56,071	–	56,071	7,971
Governance costs	–	6,000	6,000	6,960
	1,322,694	6,000	1,328,694	1,789,006

10. Net income/(expenditure)

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

	2023 £	2022 £
Depreciation of tangible fixed assets	50,269	50,779

11. Auditors' remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	6,000	6,960

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	272,612	404,677
Social security costs	23,086	34,643
Employer contributions to pension plans	5,910	6,533
	301,608	445,853

The average head count of employees during the year was 12 (2022: 19). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Number of staff – support staff	10	17
Number of staff – head office	2	2
	12	19

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £17,250 (2022: £50,000).

13. Trustee remuneration and expenses

There were no trustee's remuneration or benefits for the year ended 31st December 2023 nor for the year ended 31st December 2022.

There were no trustee's expenses paid for the year ended 31st December 2023 nor for the year ended 31st December 2022.

14. Analysis of expenses

	2023	2022
	£	£
Training fees	227,032	281,090
Rental costs	593,419	873,792
Office costs	38,509	42,186
Legal and professional	7,415	22,912
Event costs	16,946	20,983
Bank and loan interest charges	41,615	39,275
Staff costs and employer NI	301,608	445,853
Premises and computer costs	9,800	2,691
Support costs	6,000	6,960
Karamel	36,081	2,485
Depreciation	50,269	50,779
	1,328,694	1,789,006

15. Tangible fixed assets

	Short leasehold property	Fixtures and fittings	User defined asset	**Total**
	£	£	£	**£**
Cost				
At 1 January 2023	1,651,940	562,974	33,100	2,248,014
Additions	1,920	999	29,200	32,119
At 31 December 2023	1,653,860	563,973	62,300	2,280,133
Depreciation				
At 1 January 2023	983,974	530,231	–	1,514,205
Charge for the year	35,154	15,115	–	50,269
At 31 December 2023	1,019,128	545,346	–	1,564,474
Carrying amount				
At 31 December 2023	634,732	18,627	62,300	715,659
At 31 December 2022	667,966	32,743	33,100	733,809

16. Debtors

	2023	2022
	£	£
Trade debtors	282,276	313,748
Prepayments and accrued income	38,188	111,334
Other debtors	88,478	68,778
	408,942	493,860

17. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2023	2022
	£	£
Cash at bank and in hand	23,115	104
Bank overdrafts	(8,083)	(9,439)
	15,032	(9,335)

18. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	55,658	74,912
Trade creditors	427,538	576,353
Accruals and deferred income	18,403	10,960
Social security and other taxes	123,723	168,061
Other creditors	62,879	70,570
	688,201	900,856

19. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	97,811	114,537
Other creditors	103,571	94,183
	201,382	208,720

Bank loans are secured against the lease of Chocolate Factory 2 which is due to expire in October 2026.

20. Deferred income

	2023	2022
	£	£
Amount deferred in year	7,068	–

21. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £5,910 (2022: £6,533).

22. Analysis of charitable funds

Unrestricted funds

	At 1 January 2023	Income	Expenditure	At 31 December 2023
	£	£	£	£
General funds	81,724	1,173,331	(1,028,487)	226,568

	At 1 January 2022	Income	Expenditure	At 31 December 2022
	£	£	£	£
General funds	88,045	1,208,927	(1,215,248)	81,724

Restricted funds

	At 1 January 2023	Income	Expenditure	At 31 December 2023
	£	£	£	£
European	(1,765)	62,953	(58,089)	3,099
Capital Grant	34,397	–	(1,496)	32,901
Collage Works	(160)	95,079	(94,921)	–
Jack Petchey	–	2,300	(2,300)	–
Arts Council	–	–	–	–
St Williams	–	4,595	(4,594)	–
Future Wood Green	–	–	–	–
Alexander Primary	–	56,486	(56,069)	418
Harringay Council	–	11,730	(11,730)	–
Big Issue	–	–	–	–
Jumbo	–	–	–	–
Creative Academy	–	2,186	(2,186)	–
Windrush	–	18,560	(18,560)	–
Kickstart	4,001	–	(8,853)	(4,853)
Tottenham Grammar	–	7,000	(7,000)	–
BBC Children in Need	–	13,920	(13,920)	–
PRS & Home Office	–	5,490	(5,490)	–
Access Reach	–	15,000	(15,000)	–
	36,473	295,299	(300,207)	31,565

	At 1 January 2022 £	Income £	Expenditure £	At 31 December 2022 £
European	(49,149)	40,000	(90,914)	(1,765)
Capital Grant	35,893	–	(1,496)	34,397
Collage Works	4,083	61,962	(66,205)	(160)
Jack Petchey	–	11,400	(11,400)	–
Arts Council	–	1,840	(1,840)	–
St Williams	–	7,300	(7,300)	–
Future Wood Green	–	10,000	(10,000)	–
Alexander Primary	–	52,866	(52,866)	–
Harringay Council	–	47,324	(47,324)	–
Big Issue	–	39,468	(39,468)	–
Jumbo	–	18,120	(18,120)	–
Creative Academy	–	41,473	(41,473)	–
Windrush	8,173	–	(8,173)	–
Kickstart	(10,772)	191,952	(177,179)	4,001
Tottenham Grammar	–	–	–	–
BBC Children in Need	–	–	–	–
PRS & Home Office	–	–	–	–
Access Reach	–	–	–	–
	86,526	523,705	(573,758)	36,473

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Tangible fixed assets	715,659	–	715,659
Current assets	400,492	31,565	432,057
Creditors less than 1 year	(688,201)	–	(688,201)
Creditors greater than 1 year	(201,382)	–	(201,382)
Net assets	226,568	31,565	258,133

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	733,809	–	733,809
Current assets	457,491	36,473	493,964
Creditors less than 1 year	(900,856)		(900,856)
Creditors greater than 1 year	(208,720)	–	(208,720)
Net assets	81,724	36,473	118,197

24. Post balance sheet event

The charity has been overcharged by electricity supplier in previous years. The reclaim is under process and the charity received £26,000 in the year ended 31st December 2022. It is expected that charity is likely to receive further refund in excess of £100,000. At this stage it is not probable hence no adjustment has been provided for additional refund in the financial statements.

25. Analysis of changes in net debt

	At 1 Jan 2023 £	Cash flows £	**At 31 Dec 2023 £**
Cash at bank and in hand	104	23,011	23,115
Bank overdrafts	(9,439)	1,356	(8,083)
Debt due within one year	(65,473)	17,898	(47,575)
Debt due after one year	(114,537)	16,726	(97,811)
	(189,345)	58,991	(130,354)

COLLAGE ARTS

England & Wales - Charity number 1153366

Accounts

COMPANY REGISTRATION NUMBER: 02848451
CHARITY REGISTRATION NUMBER: 1153366

Collage Arts.

Company Limited by Guarantee

Financial Statements

31 December 2022

BRIAN PAUL LIMITED
Chartered Accountants & Statutory Auditors
Chase Green House
42 Chase Side
Enfield
Middlesex
EN2 6NF

Collage Arts.

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2022

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Collage Arts.

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2022

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2022.

Reference and administrative details

Registered charity name	Collage Arts.
Charity registration number	1153366
Company registration number	02848451
Principal office and registered office	The Chocolate Factory 4 Coburg Road London N22 6UJ England
The trustees	P M P Sherman V Hirani Y A Khan Y Stajno A Richardson A Kumar
Company secretary	M Ambasna
Auditor	Brian Paul Limited Chartered Accountants & Statutory Auditors Chase Green House 42 Chase Side Enfield Middlesex EN2 6NF
Solicitors	Derrick Bridges and Co 12 Wood Street Barnet Hertfordshire England EN5 4BQ

Structure, governance and management

Governing Document
The organisation is a charitable company limited by guarantee, incorporated on 27th August 1993 and registered as a charity on 18th December 1999. The powers of the charitable company are governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and appointment of new trustees
The directors of the company are also charity trustees for the purposes of charity law and under the company's articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of six years after which they must be re-elected at the next Annual General Meeting.

In an effort to maintain a complementary skill mix, members of the Management Committee are required to provide a list of their skills (and update it each year) and in the event of the particular skill being lost due to retirement, individuals are approached to offer themselves for election for the Management Committee.

Trustee induction and training
Trustees are invited and encouraged to attend short training sessions on a range of governance issues. Trustees are already familiar with the work of the charity through attending regular events and meetings throughout the year.

Organisational structure
Collage Arts has a Management Committee of up to 8 members who meet every 8 weeks and are responsible for the strategic direction and policy of the charity. At present the Committee has six members from a variety of professional backgrounds relevant to the work of the charity. There are up to 2 council representatives but with no voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Executive Director. The Executive Director is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. Also, he has responsibility for the day to day operational management of the Centre, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Related parties
In so far as it is complimentary to the charity's objects, the charity is guided by both local and national policy. The charity works in partnerships with the local authority and regional development agency, it has also developed partnerships with organisations in the locality and London-wide to deliver the service it offers.

Risk management
The Management Committee has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. The continuing implementation of quality systems like Matrix, Customer First, OCR, EdExcel and OCN awarding body

systems, ensure a consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Auditors
Brian Paul Limited were appointed auditors to the company and are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

Objectives and activities

The charity's objects specifically are;
1. To foster, promote, develop and advance the education of the public resident, working or studying in the Greater London area, in all aspects of the arts, in particular but not exclusively by:
- the provision and maintenance of a public arts facility (currently known as the 'Chocolate Factory');
- the provision and organisation of exhibitions, literature, music, comedy, theatre events and community festivals;
- the provision of education, training or retraining in the arts, particularly amongst people in need by reason of their youth, age, disability, ill-health, financial hardship or other social or economic disadvantage
- the relief of unemployment and the creation of employment opportunities.

2. To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society by using all aspects of the arts, theoretical and applied, to improve lives in the Greater London area.
- for the purpose of this clause 'socially excluded' means being excluded from society, or parts of society, as a result of one of more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards; crime (either as a victim of crime or as an offender rehabilitating into society).

The main objectives and activities for the year continued to focus upon;

- the management of Collage Arts spaces 1, 2, 3 and 4
- the provision of training aimed at young people and marginalised sections of the community to assist in relieving unemployment, providing vocational training, mentoring and development of social inclusion;
- the provision of Information, Advice and Guidance (IAG) and ongoing support specifically aimed at long term unemployed and economically inactive BAME women in to Employment, Enterprise and Training.
- the delivery of three European projects, Talent Matching, AMICO and CREUS.
- the organising of community festivals, exhibitions, literature, music, theatre and children's theatre.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

The Trustees Report for 2022 highlights the challenges faced by Collage Arts in the aftermath of the Covid-19 pandemic and the additional strain posed by the cost by the cost-of-living crises. Despite these difficulties, Collage Arts managed to adapt and continue its mission of supporting the community and promoting creativity. Highlighted below are some of the key achievements of 2022.

1. Challenges of 2022: The year was characterised by the challenges of recovering from the pandemic and adjusting to a post-COVID landscape, exacerbated by rising costs.

2. Collage Works, through N17 Creative Callings project as Tottenham Creative Enterprise Zone programme continued to support young entrepreneurs. Further funding was successfully raised via the Mayor's Creative Academies programme to support young people and adults into training and employment in the Creative Industries.

3. Collage Voices continued to provide Saturday classes in performance, theatre, creative writing, and digital music for over 150 young people. The Paul Hamlyn Foundation funded further work with six Primary schools in Haringey, allowing Collage Voices to place established artists in all six schools leading to improved attainment levels. Other projects of note in 2022 were, supporting Windrush Community, Dis[Play] campaign, working with 4 Secondary schools to create a short play in a day, Jack Petchey Foundation funding the Summer School.

4. Collage Community provided a new home at McQueens for the All Nations Caribbean Well-Being Group, supporting elderly and vulnerable people to meet, eat, and take part in various arts workshops. Movers and Shakers continues, offering free opportunities to parents and their children aged under-2s, and Mental health support through Change of Frame weekly meet ups.

5. Karamel had a new temporary operator in 2022, relieving stress on the kitchen team recovering from long Covid. The venue continued to be programmed by the Collage Arts Team with a successful live Jazz programme, including 8 performances for the EFG London Jazz Festival.

6. On the negatives, the loss of Collage Artspace 3 was greatly felt by the entire Collage Arts team and the board. Given so much work was put into the tender and after our successful management of the building over the past six years. Haringey Council chose an organisation from Brixton which later transpired were not able to take up the contract. As a result what was a well-run and looked-after building of 52 local artists was destabilized, with its future uncertain. Such a shame and a tragedy particularly for the artists and practices built up for over 30 years.

7. Despite the challenges faced, Collage Arts continued to deliver programmes and projects that supported over 3000 young people, initiated support projects for the elderly and those experiencing mental health issues and continued to serve the broader community of artists and musicians across London.

Financial review

The Income of the Charity for the year ended 31st December 2022 was £1,732,632 (2021: £1,977,036), whereas the costs of Charitable Activities were £1,782,046 (2021: £1,957,889) and Governance Costs were £6,960 (2021: £6,480).

During the year the overall net asset of the charity decreased from £174,571 to £118,197.

The income of the charity is primarily derived from grants and rental income. The charity is striving to achieve a policy of maintaining working capital reserves of £100,000.

The charity faces many uncertainties as set out in note 3 to the accounts. The trustees actions and projections arising therefrom lead them to believe that the charity trades as a going concern.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the 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 incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 31 October 2023 and signed on behalf of the board of trustees by:

Vasanti Hirani
Vasanti Hirani (Oct 31, 2023 15:51 GMT)

V Hirani
Trustee

Collage Arts.

Company Limited by Guarantee

Independent Auditor's Report to the Members of Collage Arts.

Year ended 31 December 2022

Opinion

We have audited the financial statements of Collage Arts. (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We draw attention to note 3 in the financial statements, which indicates the steps being taken to overcome the effect of post Covid-19, war in Europe and uncertain trading conditions. These have been considered and our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience of the charity sector;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, UK Taxes Acts, data protection, anti-bribery, employment, environmental and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Brian Paul

Paul Phillips (Senior Statutory Auditor)

For and on behalf of
Brian Paul Limited
Chartered Accountants & Statutory Auditors
Chase Green House
42 Chase Side
Enfield
Middlesex
EN2 6NF

31 October 2023

Collage Arts.

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2022

	Note	2022 Unrestricted funds £	2022 Restricted funds £	2022 **Total funds** £	2021 Total funds £
Income and endowments					
Donations and legacies	**5**	123,105	523,705	646,810	807,160
Other income	**6**	1,085,822	–	1,085,822	1,185,877
Total income		1,208,927	523,705	1,732,632	1,993,037
Expenditure					
Expenditure on charitable activities	**7,8**	1,215,248	573,758	1,789,006	1,957,889
Total expenditure		1,215,248	573,758	1,789,006	1,957,889
Net (expenditure)/income and net movement in funds		(6,321)	(50,053)	(56,374)	35,148
Reconciliation of funds					
Total funds brought forward		88,045	86,526	174,571	139,423
Total funds carried forward		81,724	36,473	118,197	174,571

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 to 29 form part of these financial statements.

Collage Arts.

Company Limited by Guarantee

Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	**14**	733,809	729,156
Current assets			
Debtors	**15**	493,860	440,332
Cash at bank and in hand		104	43,781
		493,964	484,113
Creditors: amounts falling due within one year	**17**	900,856	859,968
Net current liabilities		406,892	375,855
Total assets less current liabilities		326,917	353,301
Creditors: amounts falling due after more than one year	**18**	208,720	178,730
Net assets		118,197	174,571
Funds of the charity			
Restricted funds		36,473	86,526
Unrestricted funds		81,724	88,045
Total charity funds	**22**	118,197	174,571

These financial statements were approved by the board of trustees and authorised for issue on 31 October 2023, and are signed on behalf of the board by:

Vasanti Hirani
Vasanti Hirani (Oct 31, 2023 15:51 GMT)

V Hirani
Trustee

The notes on pages 16 to 29 form part of these financial statements.

Collage Arts.

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net (expenditure)/income		(56,374)	35,148
Adjustments for:			
Depreciation of tangible fixed assets		50,779	52,217
Government grant income		–	(142,770)
Interest payable and similar charges		39,275	33,706
Accrued (income)/expenses		(59,976)	20,432
Changes in:			
Trade and other debtors		11,408	(40,205)
Trade and other creditors		68,877	26,852
Cash generated from operations		53,989	(14,620)
Interest paid		(39,275)	(33,706)
Net cash from/(used in) operating activities		14,714	(48,326)
Cash flows from investing activities			
Purchase of tangible assets		(55,432)	(56,635)
Net cash used in investing activities		(55,432)	(56,635)
Cash flows from financing activities			
Proceeds from borrowings		(12,398)	(30,625)
Government grant income		–	142,770
Net cash (used in)/from financing activities		(12,398)	112,145
Net (decrease)/increase in cash and cash equivalents		(53,116)	7,184
Cash and cash equivalents at beginning of year		43,781	36,597
Cash and cash equivalents at end of year	**16**	(9,335)	43,781

The notes on pages 16 to 29 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Chocolate Factory, 4 Coburg Road, London, N22 6UJ, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

In light of the post covid-19 world and war in Europe the trustees have considered the future trading projections. In consideration of these projections the directors are monitoring both, and have taken various steps to improve short term cash flow and long term sustainability.

Strategies and policies to manage the evolving developments have been implemented by them, specifically;
- Repositioning project uptake and progress
- Changing its way of working to the use of a remote office
- Moving delivery of project online
- Identifying new Patrons to support specific project delivery
- Getting support from funders already funding the organisation like Big Issue Invest and IWOCA
- Implementing a cost reduction package

The director's projections lead them to believe that the charity has sufficient resources to bear the global impact within its particular sector.

Judgements and key sources of estimation uncertainty

In producing these accounts the trustees have considered accounting policies & relevant estimates. In the trustees opinion and to the best of their knowledge significant accounting entries are based upon facts. However, these accounts do include estimates in relation to useful life of assets and immaterial prepayments and accruals.

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

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

Short leasehold property	-	Over the period of lease
Fixtures and fittings	-	25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

3. Accounting policies *(continued)*

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The Company is a company Limited by Guarantee. Under the terms of the company's Memorandum of Association, every member of the Association undertakes to contribute to the assets in the event that the company is wound up during the time that he is a member (or within one year of ceasing to be a member) and should the assets of the company be insufficient to meet its liabilities on winding up. The extent of each members contribution to the assets in such circumstances is however limited to a maximum of ten pounds sterling.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Grants			
General grants	123,105	–	123,105
Jack Petchey	–	11,400	11,400
European	–	40,000	40,000
Haringey council LAC PPG	–	–	–
Arts Council	–	1,840	1,840
Haringey Council Restart Grant	–	–	–
St Williams	–	7,300	7,300
Jumbo	–	18,120	18,120
Collage Works	–	61,962	61,962
Big Issue	–	39,468	39,468
Alexander Primary	–	52,866	52,866
Haringey Council	–	47,324	47,324
Future Wood Green	–	10,000	10,000
Amplify	–	–	–
Creative Academy	–	41,473	41,473
Centre for cast	–	–	–
Tottenham Grammar	–	–	–
Works commission	–	–	–
Windrush	–	–	–
Government grant income	–	–	–
Kickstart	–	191,952	191,952
	123,105	523,705	646,810

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Grants			
General grants	75,290	–	75,290
Jack Petchey	–	–	–
European	–	153,022	153,022
Haringey council LAC PPG	–	10,651	10,651
Arts Council	–	52,869	52,869
Haringey Council Restart Grant	–	12,000	12,000
St Williams	–	–	–
Jumbo	–	–	–
Collage Works	–	51,700	51,700
Big Issue	–	–	–
Alexander Primary	–	–	–
Haringey Council	–	20,203	20,203
Future Wood Green	–	–	–
Amplify	–	1,200	1,200
Creative Academy	–	–	–
Centre for cast	–	5,000	5,000
Tottenham Grammar	–	6,000	6,000
Works commission	–	24,525	24,525
Windrush	–	23,173	23,173
Government grant income	142,770	–	142,770
Kickstart	–	228,757	228,757
	218,060	589,100	807,160

6. Other income

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Other income - Rental income	1,043,452	1,043,452	1,087,543	1,087,543
Other incoming resources	42,364	42,364	34,904	34,904
Karamel Restaurant	6	6	63,430	63,430
	1,085,822	1,085,822	1,185,877	1,185,877

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Rent, insurance, office costs and depreciation	1,200,317	1,496	1,201,813
Collage Works	–	66,205	66,205
Windrush	–	8,173	8,173
Kickstart	–	177,179	177,179
European Projects	–	90,915	90,915
Creative Academy	–	41,474	41,474
Arts Council	–	1,840	1,840
Haringey Council	–	47,325	47,325
Jumbo	–	18,120	18,120
Big Issue	–	39,467	39,467
Jack Petchey	–	11,400	11,400
Alexander Primary	–	52,866	52,866
Future Wood Green	–	10,000	10,000
St Williams	–	7,300	7,300
Karamel Restaurant	7,971	–	7,971
Support costs	6,960	–	6,960
	1,215,248	573,758	1,789,006

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Rent, insurance, office costs and depreciation	1,284,990	1,496	1,286,486
General donations	253,152	–	253,152
Windrush	–	15,000	15,000
Tottenham Grammer	–	6,000	6,000
Kickstart	–	20,000	20,000
European Projects	–	239,528	239,528
Creative Academy	–	5,998	5,998
Arts Council	–	5,000	5,000
Haringey Council	–	98,104	98,104
Jumbo	–	–	–
Big Issue	–	39,530	39,530
Jack Petchey	–	5,000	5,000
Alexander Primary	–	24,525	24,525
Future Wood Green	–	52,869	52,869
St Williams	–	41,690	41,690
Karamel Restaurant	–	42,853	42,853
BBC Children in Need	–	9,940	9,940
Activity type 30	54,603	–	54,603
Support costs	6,480	–	6,480
	1,350,353	607,536	1,957,889

8. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	**Total funds 2022**	Total fund 2021
	£	£	**£**	£
General donations	1,201,813	–	1,201,813	1,290,766
Windrush	8,173	–	8,173	15,000
Tottenham Grammer	–	–	–	6,000
Peoples Postcode	–	–	–	19,999
Kickstart	177,179	–	177,179	239,528
Amplify	–	–	–	5,998
Centre for Discovery	–	–	–	5,000
European Projects	90,915	–	90,915	98,104
Covid 19	41,474	–	41,474	39,530
Centre of Cast	–	–	–	5,000
Work Commission	–	–	–	24,525
Arts Council	1,840	–	1,840	52,869
Collage Works	66,205	–	66,205	41,690
Haringey Council	47,325	–	47,325	42,853
Jumbo	18,120	–	18,120	–
Big Issue	39,467	–	39,467	–
Jack Petchey	11,400	–	11,400	–
Alexander Primary	52,866	–	52,866	–
Future Wood Green	10,000	–	10,000	–
St Williams	7,300	–	7,300	–
BBC Children in Need	–	–	–	9,940
Karamel Restaurant	7,971	–	7,971	54,603
Governance costs	–	6,960	6,960	6,480
	1,782,046	6,960	1,789,006	1,957,889

9. Net (expenditure)/income

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

	2022	2021
	£	£
Depreciation of tangible fixed assets	50,779	52,217

10. Auditors remuneration

	2022	2021
	£	£
Fees payable for the audit of the financial statements	6,960	6,480

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	404,677	414,802
Social security costs	34,643	35,507
Employer contributions to pension plans	6,533	6,453
	445,853	456,762

The average head count of employees during the year was 19 (2021: 18). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of staff – support staff	17	16
Number of staff – head office	2	2
	19	18

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £50,000 (2021: £50,000).

12. Trustee remuneration and expenses

There were no trustees remuneration or benefits for the year ended 31st December 2022 nor for the year ended 31st December 2021.

There were no trustees expenses paid for the year ended 31st December 2022 nor for the year ended 31st December 2021.

13. Analysis of expenses

	2022	2021
	£	£
Training fees	281,090	365,735
Rental costs	873,792	902,484
Office costs	42,186	54,830
Legal and professional	22,912	23,335
Event costs	20,983	19,152
Bank and loan interest charges	39,275	33,706
Staff costs and employer NI	445,853	456,762
Premises and computer costs	2,691	8,311
Charitable donation	–	1,006
Support costs	6,960	6,480
Karamel	2,485	33,944
Depreciation	50,779	52,217
	1,789,006	1,683,954

14. Tangible fixed assets

	Short leasehold property	Fixtures and fittings	Paintings	**Total**
	£	£	£	**£**
Cost				
At 1 January 2022	1,599,762	559,720	33,100	2,192,582
Additions	52,178	3,254	–	55,432
At 31 December 2022	1,651,940	562,974	33,100	2,248,014
Depreciation				
At 1 January 2022	947,833	515,593	–	1,463,426
Charge for the year	36,141	14,638	–	50,779
At 31 December 2022	983,974	530,231	–	1,514,205
Carrying amount				
At 31 December 2022	667,966	32,743	33,100	733,809
At 31 December 2021	651,929	44,127	33,100	729,156

15. Debtors

	2022	2021
	£	£
Trade debtors	313,748	337,686
Prepayments and accrued income	111,334	39,948
Other debtors	68,778	62,698
	493,860	440,332

16. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2022	2021
	£	£
Cash at bank and in hand	104	43,781
Bank overdrafts	(9,439)	–
	(9,335)	43,781

17. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	74,912	61,865
Trade creditors	576,353	512,260
Accruals and deferred income	10,960	57,314
Social security and other taxes	168,061	121,842
Other creditors	70,570	106,687
	900,856	859,968

18. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	114,537	130,543
Other creditors	94,183	48,187
	208,720	178,730

Bank loans are secured against the lease of Chocolate Factory 2 which is due to expire in October 2026.

19. Deferred income

	2022	2021
	£	£
Amount deferred in year	–	51,314

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £6,533 (2021: £6,453).

21. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2022	2021
	£	£
Recognised in income from donations and legacies:		
Government grants income	–	142,770

22. Analysis of charitable funds

Unrestricted funds

	At 1 January 2022	Income	Expenditure	**At 31 Dec 2022**
	£	£	£	£
General funds	88,045	1,208,927	(1,215,248)	81,724

	At 1 January 2021	Income	Expenditure	At 31 Dec 2021
	£	£	£	£
General funds	34,461	1,403,937	(1,350,353)	88,045

22. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2022	Income	Expenditure	**At 31 Dec 2022**
	£	£	£	£
European	49,149	40,000	(90,914)	(1,765)
Capital Grant	35,893	–	(1,496)	34,397
Collage Works	4,083	61,962	(66,205)	(160)
Jack Petchey	–	11,400	(11,400)	–
Arts Council	–	1,840	(1,840)	–
St Williams	–	7,300	(7,300)	–
Future Wood Green	–	10,000	(10,000)	–
Alexander Primary	–	52,866	(52,866)	–
Haringey Council	–	47,324	(47,324)	–
Big Issue	–	39,468	(39,468)	–
Jumbo	–	18,120	(18,120)	
Creative Academy	–	41,473	(41,473)	–
Windrush	8,173	–	(8,173)	–
Kickstart	(10,772)	191,952	(177,179)	4,001
	86,526	523,705	(573,758)	36,473

	At 1 January 2021	Income	Expenditure	At 31 Dec 2021
	£	£	£	£
Arts Council	–	52,869	(52,869)	–
Haringey Council LAC PPG	–	10,651	(10,651)	–
Haringey Council Restart Grant	–	12,000	(12,000)	–
Haringey Council	–	20,203	(20,203)	–
European	(5,769)	153,022	(98,104)	49,149
Capital Grant	37,389	–	(1,496)	35,893
Collage Works	(5,927)	51,700	(41,690)	4,083
Peoples Postcode	20,000	–	(20,000)	–
BBC Children In Need	9,940	–	(9,940)	–
Covid - 19	39,531	–	(39,531)	–
Amplify	4,798	1,200	(5,998)	–
Centre for Discovery	5,000	–	(5,000)	–
Tottenham Grammer	–	6,000	(6,000)	–
Works Commission	–	24,525	(24,525)	–
Windrush	–	23,173	(15,000)	8,173
Kickstart	–	228,758	(239,529)	(10,772)
	104,962	589,100	(607,536)	86,526

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Tangible fixed assets	733,809	–	733,809
Current assets	457,491	36,473	493,964
Creditors less than 1 year	(900,856)	–	(900,856)
Creditors greater than 1 year	(208,720)	–	(208,720)
Net assets	81,724	36,473	118,197

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	729,156	–	729,156
Current assets	397,587	86,526	484,113
Creditors less than 1 year	(859,968)	–	(859,968)
Creditors greater than 1 year	(178,730)	–	(178,730)
Net assets	88,045	86,526	174,571

24. Post balance sheet event

The charity has been overcharged by its energy supplier in previous years. The reclaim is in process and the charity has received £26,000 which has been provided for in the financial statements. It is expected that the charity is likely to receive a further refund in excess of £100,000. At this stage it is not probable and hence no adjustment has been provided for in the financial statements.

25. Analysis of changes in net debt

	At 1 Jan 2022 £	Cash flows £	**At 31 Dec 2022 £**
Cash at bank and in hand	43,781	(43,677)	104
Bank overdrafts	–	(9,439)	(9,439)
Debt due within one year	(61,865)	(13,047)	(74,912)
Debt due after one year	(130,543)	16,006	(114,537)
	(148,627)	(50,157)	(198,784)

Collage Arts Post meeting draft - Dec 22 final

Final Audit Report 2023-10-31

Created:	2023-10-31
By:	Parvez Dalal (parvez@brianpaul.co.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAA-mDf2C83j1pk7AbZGVtUbwni7u_YeUU5

"Collage Arts Post meeting draft - Dec 22 final" History

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COLLAGE ARTS

England & Wales - Charity number 1153366

Accounts

BF

COMPANY REGISTRATION NUMBER: 02848451
CHARITY REGISTRATION NUMBER: 1153366

Collage Arts.

Company Limited by Guarantee

Financial Statements

31 December 2021

BRIAN PAUL LIMITED
Chartered Accountants & Statutory Auditors
Chase Green House
42 Chase Side
Enfield
Middlesex
EN2 6NF

Collage Arts.
Company Limited by Guarantee

Financial Statements

Year ended 31 December 2021

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Collage Arts.

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2021.

Reference and administrative details

Registered charity name	Collage Arts.
Charity registration number	1153366
Company registration number	02848451
Principal office and registered office	The Chocolate Factory 4 Coburg Road London N22 6UJ England
The trustees	P M P Sherman V Hirani Yusuf Ali Khan Y Stajno A Richardson A Kumar
Company secretary	M Ambasna
Auditor	Brian Paul Limited Chartered Accountants & Statutory Auditors Chase Green House 42 Chase Side Enfield Middlesex EN2 6NF
Solicitors	Derrick Bridges and Co 12 Wood Street Barnet Hertfordshire England EN5 4BQ

Structure, governance and management

Governing Document
The organisation is a charitable company limited by guarantee, incorporated on 27th August 1993 and registered as a charity on 18th December 1999. The powers of the charitable company are governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and appointment of new trustees
The directors of the company are also charity trustees for the purposes of charity law and under the company's articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of six years after which they must be re-elected at the next Annual General Meeting.

In an effort to maintain a complementary skill mix, members of the Management Committee are required to provide a list of their skills (and update it each year) and in the event of the particular skill being lost due to retirement, individuals are approached to offer themselves for election for the Management Committee.

Trustee induction and training
Trustees are invited and encouraged to attend short training sessions on a range of governance issues. Trustees are already familiar with the work of the charity through attending regular events and meetings throughout the year.

Organisational structure
Collage Arts has a Management Committee of up to 8 members who meet every 8 weeks and are responsible for the strategic direction and policy of the charity. At present the Committee has six members from a variety of professional backgrounds relevant to the work of the charity. There are up to 2 council representatives but with no voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Executive Director. The Executive Director is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. Also, he has responsibility for the day to day operational management of the Centre, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Related parties
In so far as it is complimentary to the charity's objects, the charity is guided by both local and national policy. The charity works in partnerships with the local authority and regional development agency, it has also developed partnerships with organisations in the locality and London-wide to deliver the service it offers.

Risk management
The Management Committee has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. The continuing implementation of quality systems like Matrix, Customer First, OCR, EdExcel and OCN awarding body systems, ensure a consistent quality

of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Auditors
Brian Paul Limited were appointed auditors to the company and are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

Objectives and activities

The charity's objects specifically are;

1. To foster, promote, develop and advance the education of the public resident, working or studying in the Greater London area, in all aspects of the arts, in particular but not exclusively by:

- the provision and maintenance of a public arts facility (currently known as the 'Chocolate Factory');

- the provision and organisation of exhibitions, literature, music, comedy, theatre events and community festivals;

- the provision of education, training or retraining in the arts, particularly amongst people in need by reason of their youth, age, disability, ill-health, financial hardship or other social or economic disadvantage - the relief of unemployment and the creation of employment opportunities.

2. To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society by using all aspects of the arts, theoretical and applied, to improve lives in the Greater London area.

- For the purpose of this clause 'socially excluded' means being excluded from society, or parts of society, as a result of one of more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards; crime (either as a victim of crime or as an offender rehabilitating into society).

The main objectives and activities for the year continued to focus upon;

- The management of Collage Arts spaces 1, 2, 3 and 4

- The provision of training aimed at young people and marginalised sections of the community to assist in relieving unemployment, providing vocational training, mentoring and development of social inclusion;

- The provision of Information, Advice and Guidance (IAG) and ongoing support specifically aimed at long term unemployed and economically inactive BAME women in to Employment, Enterprise and Training.

- The delivery of three European projects, Talent Matching, AMICO and CREUS.

- The organising of community festivals, exhibitions, literature, music, theatre and children's theatre.

Strategic report

The following sections for achievement and performance and financial review form the strategic report of the charity.

Achievements and performance

We produced a Covid survival plan & risk assessment, and upgraded our public facing spaces with fresh air ventilation system. We prioritised: Safety of our team & the people they serve; The livelihoods of the professional artists in our Art spaces; Supporting the mental health and wellbeing of our community using participatory arts approaches. We encouraged people to chronicle these extraordinary times.

Collage Arts went aggressively into fundraising to ensure we could reach some of the most vulnerable parts of the community. We expanded our work with young people and our community work with women of colour. This volume of work meant that our work on buildings strategy had to take a back seat. We figured that as a community arts organisation we had to lead from the front. This dogged commitment to keep delivering has garnered praise and made us the "go to" partner for a number of organisations, including Haringey Council's own learning teams.

We secured new funds from the Home Office (Windrush Community Fund), British Council EU Erasmus+ (Y Create - Voices for Respect, Celebrating Difference and Tackling Hate) and DCMS/Arts Council England (Cultural Recovery Fund). These were all very competitive rounds. This shows the high regard for Collage Arts in terms of contribution to an inclusive vision that uses creativity to address some of the pressing issues of the moment.

We became a Gateway for Department of Works and Pensions Kickstart programme for the Creative Industries and helped over 60 young people on benefits to secure work for six months with 40 creative businesses, many leading to full-time work.

In 2021, we moved from short-term projects toward a series of programmes (Collage Kids, Collage Voices, Collage Works, Collage Community & Digital). We built more formal partnerships for co-delivery and cross-referral of work (for example, partnerships with 18 schools in place: and increased work with CAMHS, Mind in Haringey, and Children's Services. We better applied the skills of our 500 workspace tenants and 300 associate artists. We started to address some of the most pressing problems facing Haringey - such as gang crime, hate speech, isolation of older people (for example, we are now in year 4 of an anti-hate schools programme). All of this was achieved without any revenue funding for the organisation from any institutional partner.

We delivered:

- 200 live gigs in the year in Karamel / McQueens Theatre
- Weekly events: 50 families attending pay-what-you-can pre-school activities. 150 young people paying £1-£2 to attend Voices creative workshops - including referrals from Social Services " Partnerships with 18 schools to support arts access and attainment " 10 songs with 175 Haringey students participating, themed around hate interruption " 20 community films in the year giving women of colour a voice.

The year ended with Collage Arts being awarded the Inclusion and Equalities Organisation of 2021 by Bridge Renewal Trust in their Community Impact Awards.

Financial review

The Income of the Charity for the year ended 31st December 2021 was £1,993,037 (2020: £1,452,558), whereas the costs of Charitable Activities were £1,951,409 (2019: £1,616,782) and Governance Costs were £6,480 (2020: £6,000).

During the year the overall net assets of the charity increased from £139,423 to £174,571.

The income of the charity is primarily derived from grants and rental income. The charity is striving to achieve a policy of maintaining working capital reserves of £100,000.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the 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 incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 28/9/2022 and signed on behalf of the board of trustees by:

V Hirani
Trustee

Collage Arts.

Company Limited by Guarantee

Independent Auditor's Report to the Members of Collage Arts.

Year ended 31 December 2021

Opinion

We have audited the financial statements of Collage Arts. (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We draw attention to note 3 in the financial statements, which indicates the steps being taken to overcome the effects of Covid-19 and the war in Europe. These uncertain conditions have been considered and our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience of the charity sector;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, UK Taxes Acts, data protection, anti-bribery, employment, environmental and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Phillips (Senior Statutory Auditor)

For and on behalf of
Brian Paul Limited
Chartered Accountants & Statutory Auditors
Chase Green House
42 Chase Side
Enfield
Middlesex
EN2 6NF

29. September 2022

Collage Arts.

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2021

	Note	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Income and endowments					
Donations and legacies	5	218,060	589,100	807,160	466,011
Other income	6	1,185,877	–	1,185,877	986,547
Total income		1,403,937	589,100	1,993,037	1,452,558
Expenditure					
Expenditure on charitable activities	7,8	1,350,353	607,536	1,957,889	1,622,782
Total expenditure		1,350,353	607,536	1,957,889	1,622,782
Net income/(expenditure) and net movement in funds		53,584	(18,436)	35,148	(170,224)
Reconciliation of funds					
Total funds brought forward		34,461	104,962	139,423	309,647
Total funds carried forward		88,045	86,526	174,571	139,423

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Collage Arts.

Company Limited by Guarantee

Statement of Financial Position

31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	**15**	729,156	724,738
Current assets			
Debtors	**16**	440,332	435,708
Cash at bank and in hand		43,781	42,079
		484,113	477,787
Creditors: amounts falling due within one year	**18**	859,968	850,339
Net current liabilities		375,855	372,552
Total assets less current liabilities		353,301	352,186
Creditors: amounts falling due after more than one year	**19**	178,730	212,763
Net assets		174,571	139,423
Funds of the charity			
Restricted funds		86,526	104,962
Unrestricted funds		88,045	34,461
Total charity funds	**23**	174,571	139,423

These financial statements were approved by the board of trustees and authorised for issue on 28/9/2022, and are signed on behalf of the board by:

V Hirani
Trustee

The notes on pages 16 to 29 form part of these financial statements.

Collage Arts.

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net income/(expenditure)		35,148	(170,224)
Adjustments for:			
Depreciation of tangible fixed assets		52,217	52,418
Government grant income		(142,770)	(81,263)
Interest payable and similar charges		33,706	21,205
Accrued expenses		20,432	26,912
Changes in:			
Trade and other debtors		(40,205)	23,346
Trade and other creditors		26,852	241,046
Cash generated from operations		(14,620)	113,440
Interest paid		(33,706)	(21,205)
Net cash (used in)/from operating activities		(48,326)	92,235
Cash flows from investing activities			
Purchase of tangible assets		(56,635)	(72,052)
Net cash used in investing activities		(56,635)	(72,052)
Cash flows from financing activities			
Proceeds from borrowings		(30,625)	(55,386)
Government grant income		142,770	81,263
Net cash from financing activities		112,145	25,877
Net increase in cash and cash equivalents		7,184	46,060
Cash and cash equivalents at beginning of year		36,597	(9,463)
Cash and cash equivalents at end of year	**17**	43,781	36,597

The notes on pages 16 to 29 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Chocolate Factory, 4 Coburg Road, London, N22 6UJ, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

In light of the post covid-19 world and war in Europe the trustees have considered the future trading projections. In consideration of these projections the directors are monitoring both, though they are unable to immediately quantify the impact on future commerciality. Strategies and policies to manage the evolving developments have been implemented by them, specifically;

- Monitoring changes in project uptake and progress
- Changing its way of working to the use of a remote office
- Moving delivery of project online
- Identifying new Patrons to support specific project delivery
- Getting support from funders already funding the organisation like Big Issue Invest

The director's projections lead them to believe that the charity has sufficient resources to bear the global impact within its particular sector.

Judgements and key sources of estimation uncertainty

In producing these accounts, the trustees have considered accounting policies & relevant estimates. In the trustee's opinion and to the best of their knowledge significant accounting entries are based upon facts. However, these accounts do include estimates in relation to useful life of assets and immaterial prepayments and accruals.

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

3. **Accounting policies** *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Heritage assets

Heritage assets measured under the cost model are recognised initially at acquisition cost and subsequently stated at cost less any accumulated depreciation and impairment losses.

Heritage assets measured under the revaluation model are recorded at fair value less any accumulated impairment losses.

Where information on the cost or value of an asset is not available and cannot be obtained at a cost which is commensurate with the benefits to users of the financial statements, the asset shall not be recognised in the statement of financial position.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

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

Short leasehold property	-	Over the period of lease
Fixtures and fittings	-	25% straight line

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

3. Accounting policies *(continued)*

Defined contribution plans *(continued)*

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The Company is a company Limited by Guarantee. Under the terms of the company's Memorandum of Association, every member of the Association undertakes to contribute to the assets in the event that the company is wound up during the time that he is a member (or within one year of ceasing to be a member) and should the assets of the company be insufficient to meet its liabilities on winding up. The extent of each members contribution to the assets in such circumstances is however limited to a maximum of ten pounds sterling.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Grants			
General grants	75,290	–	75,290
London Youth	–	–	–
Wandsworth	–	–	–
European	–	153,022	153,022
Haringey Council LAC PPG	–	10,651	10,651
Arts Council	–	52,869	52,869
Haringey Council Restart Grant	–	12,000	12,000
Capital Grant	–	–	–
Collage Works	–	51,700	51,700
Creative Land Trust	–	–	–
BBC Children In Need	–	–	–
Haringey Council	–	20,203	20,203
Peoples Post Code	–	–	–
Amplify	–	1,200	1,200
Access Impact	–	–	–
Covid 19	–	–	–
Centre for Discovery	–	–	–
Centre for cast	–	5,000	5,000
Tottenham Grammar	–	6,000	6,000
Works commission	–	24,525	24,525
Windrush	–	23,173	23,173
Government grant income	142,770	–	142,770
Kickstart	–	228,757	228,757
	218,060	589,100	807,160

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Grants			
General grants	52,916	–	52,916
London Youth	–	10,997	10,997
Wandsworth	–	1,044	1,044
European	–	611	611
Haringey Council LAC PPG	–	–	–
Arts Council	–	31,095	31,095
Haringey Council Restart Grant	–	–	–
Capital Grant	–	36,600	36,600
Collage Works	–	108,705	108,705
Creative Land Trust	–	25,520	25,520
BBC Children in Need	–	9,940	9,940
Haringey Council	–	33,791	33,791
Peoples Post Code	–	20,000	20,000
Amplify	–	4,798	4,798
Access Impact	–	4,200	4,200
Covid 19	–	39,531	39,531
Centre for Discovery	–	5,000	5,000
Centre for cast	–	–	–
Tottenham Grammar	–	–	–
Works commission	–	–	–
Windrush	–	–	–
Government grant income	81,263	–	81,263
Kickstart	–	–	–
	134,179	331,832	466,011

6. Other income

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Other income - Rental income	1,087,543	1,087,543	978,744	978,744
Other incoming resources	34,904	34,904	7,803	7,803
Karamel Restaurant	63,430	63,430	–	–
	1,185,877	1,185,877	986,547	986,547

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Rent, insurance, office costs and depreciation	1,036,118	1,496	1,037,614
General donations	253,152	–	253,152
Windrush	–	15,000	15,000
Tottenham Grammar	–	6,000	6,000
Peoples Postcode	–	20,000	20,000
Kickstart	–	239,528	239,528
Amplify	–	5,998	5,998
Centre for Discovery	–	5,000	5,000
European Projects	–	98,104	98,104
Covid 19	–	39,530	39,530
Centre of Cast	–	5,000	5,000
Work Commission	–	24,525	24,525
Arts Council	–	52,869	52,869
Collage Works	–	41,690	41,690
Haringey Council	–	42,853	42,853
Creative Land Trust	–	–	–
Access Impact	–	–	–
BBC Children in Need	–	9,940	9,940
Karamel Restaurant	54,603	–	54,603
Support costs	6,480	–	6,480
	1,350,353	607,536	1,957,889

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Rent, insurance, office costs and depreciation	962,618	–	962,618
General donations	386,245	–	386,265
Windrush	–	–	–
Tottenham Grammar	–	–	–
Peoples Postcode	–	–	–
Kickstart	–	–	–
Amplify	–	–	–
Centre for Discovery	–	–	–
European Projects	–	44,987	44,987
Covid 19	–	–	–
Centre of Cast	–	–	–
Work Commission	–	–	–
Arts Council	–	31,095	31,095
Collage Works	–	128,326	128,326
Haringey Council	–	33,791	33,791
Creative Land Trust	–	25,520	25,520
Access Impact	–	4,200	4,200
BBC Children in Need	–	–	–
Karamel Restaurant	–	–	–
Support costs	6,000	–	6,000
	1,354,863	267,919	1,622,782

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2021 £**	Total fund 2020 £
General donations	1,290,766	–	1,290,766	1,348,863
Windrush	15,000	–	15,000	–
Tottenham Grammar	6,000	–	6,000	–
Peoples Postcode	19,999	–	19,999	–
Kickstart	239,528	–	239,528	–
Amplify	5,998	–	5,998	–
Centre for Discovery	5,000	–	5,000	–
European Projects	98,104	–	98,104	44,987
Covid 19	39,530	–	39,530	–
Centre of Cast	5,000	–	5,000	–
Work Commission	24,525	–	24,525	–
Arts Council	52,869	–	52,869	31,095
Collage Works	41,690	–	41,690	128,326
Haringey Council	42,853	–	42,853	33,791
Creative Land Trust	–	–	–	25,520
Access Impact	–	–	–	4,200
BBC Children in Need	9,940	–	9,940	–
Karamel Restaurant	54,603	–	54,603	–
Governance costs	–	6,480	6,480	6,000
	1,951,409	6,480	1,957,889	1,622,782

9. Analysis of support costs

	Total 2021 £	Total 2020 £
Governance costs	6,480	6,000

10. Net income/(expenditure)

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

	2021 £	2020 £
Depreciation of tangible fixed assets	52,217	52,418

11. Auditors remuneration

	2021 £	2020 £
Fees payable for the audit of the financial statements	6,480	6,000

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	414,802	296,408
Social security costs	35,507	26,134
Employer contributions to pension plans	6,453	3,511
	456,762	326,053

The average head count of employees during the year was 18 (2020: 13). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Number of staff – support staff	16	11
Number of staff – head office	2	2
	18	13

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £50,000 (2020: £50,000).

13. Trustee remuneration and expenses

There were no trustees remuneration or benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

During the year the charity paid P Sherman £1,800 (2020: £nil) and Y Stajno £382 (2020: £nil) for services provided. There were no other trustees expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

14. Analysis of expenses

	2021	2020
	£	£
Training fees	365,735	286,129
Rental costs	902,411	872,777
Office costs	54,830	38,509
Legal and professional	23,335	8,801
Event costs	19,152	(23)
Bank and loan interest charges	33,706	21,205
Staff costs and employer NI	456,762	326,053
Premises and computer costs	8,311	10,914
Charitable donation	1,006	-
Karamel Restaurant	33,944	-
Support costs	6,480	6,000
Depreciation	52,217	52,418
	1,957,889	1,622,782

15. Tangible fixed assets

	Short leasehold property	Fixtures and fittings	User defined asset	**Total**
	£	£	£	£
Cost				
At 1 January 2021	1,560,574	542,273	33,100	2,135,947
Additions	39,188	17,447	–	56,635
At 31 December 2021	1,599,762	559,720	33,100	2,192,582
Depreciation				
At 1 January 2021	908,684	502,525	–	1,411,209
Charge for the year	39,149	13,068	–	52,217
At 31 December 2021	947,833	515,593	–	1,463,426
Carrying amount				
At 31 December 2021	651,929	44,127	33,100	729,156
At 31 December 2020	651,890	39,748	33,100	724,738

16. Debtors

	2021	2020
	£	£
Trade debtors	337,686	269,754
Prepayments and accrued income	39,948	107,711
Other debtors	62,698	58,243
	440,332	435,708

The debtors above include the following amounts falling due after more than one year:

	2021	2020
	£	£
Other debtors	32,398	32,398

17. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2021	2020
	£	£
Cash at bank and in hand	43,781	42,079
Bank overdrafts	–	(5,482)
	43,781	36,597

18. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	10,650	15,482
Other loans	51,215	66,187
Trade creditors	512,260	568,236
Accruals and deferred income	57,314	21,149
Social security and other taxes	121,842	65,519
Other creditors	106,687	113,766
	859,968	850,339

19. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	33,770	40,000
Other loans	144,960	172,763
	178,730	212,763

Bank loans are secured against the lease of Chocolate Factory 2 which is due to expire in October 2026.

20. Deferred income

	2021	2020
	£	£
Amount deferred in year	51,314	–

21. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £6,453 (2020: £3,511).

22. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in income from donations and legacies:		
Government grants income	142,770	81,263

23. Analysis of charitable funds

Unrestricted funds

	At 1 January 2021	Income	Expenditure	**At 31 December 2021**
	£	£	£	£
General funds	34,461	1,403,937	(1,350,353)	88,045

	At 1 January 2020	Income	Expenditure	At 31 December 2020
	£	£	£	£
General funds	268,598	1,120,726	(1,354,863)	34,461

23. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2021 £	Income £	Expenditure £	At 31 December 2021 £
Arts Council	–	52,869	(52,869)	–
Haringey Council LAC PPG	–	10,651	(10,651)	–
Haringey Council Restart Grant	–	12,000	(12,000)	–
Haringey Council	–	20,203	(20,203)	–
European	(5,769)	153,022	(98,104)	49,149
Capital Grant	37,389	–	(1,496)	35,893
Collage Works	(5,927)	51,700	(41,690)	4,083
Peoples Postcode	20,000	–	(20,000)	–
BBC Children In Need	9,940	–	(9,940)	–
Covid - 19	39,531	–	(39,531)	–
Amplify	4,798	1,200	(5,998)	–
Centre for Discovery	5,000	–	(5,000)	–
Centre of Cast	–	5,000	(5,000)	–
Tottenham Grammar	–	6,000	(6,000)	–
Works Commission	–	24,525	(24,525)	–
Windrush	–	23,173	(15,000)	8,173
Kickstart	–	228,757	(239,529)	(10,772)
	104,962	589,100	(607,536)	86,526

	At 1 January 2020 £	Income £	Expenditure £	At 31 December 2020 £
London Youth	(10,997)	10,997	–	–
Wandsworth	(1,044)	1,044	–	–
European	38,608	611	(44,988)	(5,769)
Arts Council	–	31,095	(31,095)	–
Capital Grant	789	36,600	–	37,789
Collage Works	13,693	108,705	(128,325)	(5,927)
Creative Land Trust	–	25,520	(25,520)	–
BBC Children In Need	–	9,940	–	9,940
Haringey Council	–	33,791	(33,791)	–
Peoples Postcode	–	20,000	–	20,000
Amplify	–	4,798	–	4,798
Access Impact	–	4,200	(4,200)	–
Covid - 19	–	39,531	–	39,531
Centre for Discovery	–	5,000	–	5,000
	41,049	331,832	(267,919)	104,962

24. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Tangible fixed assets	729,156	–	729,156
Current assets	397,587	86,526	484,113
Creditors less than 1 year	(859,968)	–	(859,968)
Creditors greater than 1 year	(178,730)	–	(178,730)
Net assets	88,045	86,526	174,571

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	724,738	–	724,738
Current assets	372,825	104,962	477,787
Creditors less than 1 year	(850,339)	–	(850,339)
Creditors greater than 1 year	(212,763)	–	(212,763)
Net assets	34,461	104,962	139,423

25. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than 1 year	469,075	567,263
Later than 1 year and not later than 5 years	1,541,595	1,652,735
Later than 5 years	–	7,621,260
	2,010,670	9,841,258

COLLAGE ARTS

England & Wales - Charity number 1153366

Accounts

COMPANY REGISTRATION NUMBER: 02848451
CHARITY REGISTRATION NUMBER: 1153366

Collage Arts.

Company Limited by Guarantee

Financial Statements

31 December 2020

BRIAN PAUL LIMITED
Chartered Accountants & Statutory Auditors
Chase Green House
42 Chase Side
Enfield
Middlesex
EN2 6NF

Collage Arts.

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2020

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Collage Arts.

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2020

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name	Collage Arts.
Charity registration number	1153366
Company registration number	02848451
Principal office and registered office	The Chocolate Factory 4 Coburg Road London N22 6UJ England
The trustees	
	P M P Sherman V Hirani Yusuf Ali Khan Y Stajno A Richardson A Kumar
Company secretary	M Ambasna
Auditor	Brian Paul Limited Chartered Accountants & Statutory Auditors Chase Green House 42 Chase Side Enfield Middlesex EN2 6NF
Solicitors	Derrick Bridges and Co 12 Wood Street Barnet Hertfordshire England EN5 4BQ

Structure, governance and management

Governing Document
The organisation is a charitable company limited by guarantee, incorporated on 27th August 1993 and registered as a charity on 18th December 1999. The powers of the charitable company are governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and appointment of new trustees
The directors of the company are also charity trustees for the purposes of charity law and under the company's articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of six years after which they must be re-elected at the next Annual General Meeting.

In an effort to maintain a complementary skill mix, members of the Management Committee are required to provide a list of their skills (and update it each year) and in the event of the particular skill being lost due to retirement, individuals are approached to offer themselves for election for the Management Committee.

Trustee induction and training
Trustees are invited and encouraged to attend short training sessions on a range of governance issues. Trustees are already familiar with the work of the charity through attending regular events and meetings throughout the year.

Organisational structure
Collage Arts has a Management Committee of up to 8 members who meet every 8 weeks and are responsible for the strategic direction and policy of the charity. At present the Committee has six members from a variety of professional backgrounds relevant to the work of the charity. There are up to 2 council representatives but with no voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Executive Director. The Executive Director is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. Also, he has responsibility for the day to day operational management of the Centre, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Related parties
In so far as it is complimentary to the charity's objects, the charity is guided by both local and national policy. The charity works in partnerships with the local authority and regional development agency, it has also developed partnerships with organisations in the locality and London-wide to deliver the service it offers.

Risk management
The Management Committee has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. The continuing implementation of quality systems like Matrix, Customer First, OCR, EdExcel and OCN awarding body

systems, ensure a consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Auditors
Brian Paul Limited were appointed auditors to the company and are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

Objectives and activities
The charity's objects specifically are;

1. To foster, promote, develop and advance the education of the public resident, working or studying in the Greater London area, in all aspects of the arts, in particular but not exclusively by:

- the provision and maintenance of a public arts facility (currently known as the 'Chocolate Factory');
- the provision and organisation of exhibitions, literature, music, comedy, theatre events and community festivals;
- the provision of education, training or retraining in the arts, particularly amongst people in need by reason of their youth, age, disability, ill-health, financial hardship or other social or economic disadvantage - the relief of unemployment and the creation of employment opportunities.

2. To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society by using all aspects of the arts, theoretical and applied, to improve lives in the Greater London area.

- For the purpose of this clause 'socially excluded' means being excluded from society, or parts of society, as a result of one of more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards; crime (either as a victim of crime or as an offender rehabilitating into society).

The main objectives and activities for the year continued to focus upon;

- The management of Collage Arts spaces 1, 2, 3 and the new space 4
- The provision of training aimed at young people and marginalised sections of the community to assist in relieving unemployment, providing vocational training, mentoring and development of social inclusion;
- The provision of Information, Advice and Guidance (IAG) and ongoing support specifically aimed at long term unemployed and economically inactive BAME women in to Employment, Enterprise and Training.
- The delivery of three European projects, Talent Matching, AMICO and CREUS.
- The organising of community festivals, exhibitions, literature, music, theatre and children's theatre.

Achievements and performance

From COVID-19 to 2021 and beyond

COVID-19 changed everything for Collage Arts. The immediate thoughts were how do we do this.

How do we survive and make sure everything that is so vital to Collage Arts, our communities of Collage Artspaces, Collage Community, Collage Works, Collage Voices, and the many projects that support them and make us unique, continue and are supported.

It felt like an impossible challenge. However, the decision to bring together the senior management team (SMT) on a weekly meeting to discuss the myriad of opportunities that were appearing every day, made a huge contribution.

As a starting point the SMT agreed a vision document to guide the organisation through these extraordinary times. The document was an exercise in scenario planning, second guessing how different community groups would be impacted by Covid-19. In addition to setting out different needs, the document pragmatically prioritised Collage Voices, Collage Community, and the Collage Artspaces: Collage Works had funding in place from the Tottenham Creative Enterprise Zone.

The Collage Works team worked quickly to take its enterprise programme on-line via video conferencing. This was done with great success. Our target clients now had more time to participate, and high calibre speakers made time to lead sessions from their desks.

This gave us the confidence to explore different models of virtual engagement by phone, messaging services and other apps/programmes. This could not happen until we had thoroughly overhauled our child protection policies for the virtual world.

We consulted the emerging needs of our creative artistic communities within our studio provision, and the community, especially Black, Asian and Ethnic Minority (BAME) women and young people using Collage Community, Collage Works, and Collage Voices, and responded to their needs and aspirations accordingly.

We aligned funding opportunities with mechanisms to support needs-led delivery through Collage Voices, Collage Community with the Collage Artspaces artists. Applications were made and in the case of Haringey Council, a lot of lobbying was undertaken.

A huge effort was put in by the SMT to ensure that all our priority communities received maximum support where possible, from funding raised and applied for. We have continued the development of access routes into the creative industries for young people, ethnic minority women, children, and families. We successfully moved many of our operations on-line and reviewed the benefits this brought.

Then came the bigger challenges of how to make sure that we could continue past the temporary C19-funding phase. Many funding agencies were not looking beyond the next 6 to 8 months, which was a huge concern.

We took the first steps by applying for the long-term funding that was available, like the European Social Fund (ESF), applications to the 4 phases of Cultural Recovery Fund (CRF). Successful on ESF and 3 Rounds of CRF. Built long term partnerships with other similar organisations in the borough and delivered projects jointly thereby safeguarding each other.

The support by Haringey Council for the artists helped as they were able to pay rent on their studios.

Big Issue Invest made capital available to make all our public facing spaces Covid-safe as we were able to install a fresh air ventilation system in all of the spaces.

While 2020 was impacted by C19 as the figures indicate, 2021 is looking much better and the organisation is clearer of its vision for the next 3 years with several long term initiatives under way. If realised, it will secure the long term future of Collage Arts financially.

Financial review

The Income of the Charity for the year ended 31st December 2020 was £1,452,558 (2019: £1,606,980), whereas the costs of Charitable Activities were £1,616,782 (2019: £1,677,954) and Governance Costs were £6,000 (2019: £6,000).

During the year the overall net asset of the charity decreased from £309,647 to £139,423.

The income of the charity is primarily derived from grants and rental income. The charity is striving to achieve a policy of maintaining working capital reserves of £100,000.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the 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 incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 22 September 2021 and signed on behalf of the board of trustees by:

V Hirani
Trustee

Collage Arts.

Company Limited by Guarantee

Independent Auditor's Report to the Members of Collage Arts.

Year ended 31 December 2020

Opinion

We have audited the financial statements of Collage Arts. (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We draw attention to note 3 in the financial statements, which indicates the steps being taken to overcome the effect of Covid-19. These uncertain conditions have been considered and our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience of the charity sector;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, UK Taxes Acts, data protection, anti-bribery, employment, environmental and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Phillips (Senior Statutory Auditor)

For and on behalf of
Brian Paul Limited
Chartered Accountants & Statutory Auditors
Chase Green House
42 Chase Side
Enfield
Middlesex
EN2 6NF

27. September 2021

Collage Arts.

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2020

	Note	2020 Unrestricted funds £	2020 Restricted funds £	2020 Total funds £	2019 Total funds £
Income and endowments					
Donations and legacies	**5**	134,179	331,832	466,011	526,839
Charitable activities	**6**	–	–	–	71,600
Other income	**7**	986,547	–	986,547	1,008,541
Total income		1,120,726	331,832	1,452,558	1,606,980
Expenditure					
Expenditure on charitable activities	**8,9**	1,354,863	267,919	1,622,782	1,683,954
Total expenditure		1,354,863	267,919	1,622,782	1,683,954
Net expenditure and net movement in funds		(234,137)	63,913	(170,224)	(76,974)
Reconciliation of funds					
Total funds brought forward		268,598	41,049	309,647	386,621
Total funds carried forward		34,461	104,962	139,423	309,647

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 to 28 form part of these financial statements.

Collage Arts.

Company Limited by Guarantee

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	**16**	724,738	705,104
Current assets			
Debtors	**17**	435,708	491,435
Cash at bank and in hand		42,079	36
		477,787	491,471
Creditors: amounts falling due within one year	**19**	850,339	693,585
Net current liabilities		372,552	202,114
Total assets less current liabilities		352,186	502,990
Creditors: amounts falling due after more than one year	**20**	212,763	193,343
Net assets		139,423	309,647
Funds of the charity			
Restricted funds		104,962	41,049
Unrestricted funds		34,461	268,598
Total charity funds	**24**	139,423	309,647

These financial statements were approved by the board of trustees and authorised for issue on 23 September 2021, and are signed on behalf of the board by:

V Hirani
Trustee

The notes on pages 16 to 28 form part of these financial statements.

Collage Arts.

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net expenditure		(170,224)	(76,974)
Adjustments for:			
Depreciation of tangible fixed assets		52,418	87,535
Government grant income		(81,263)	–
Interest payable and similar charges		21,205	17,377
Accrued expenses		26,912	49,017
Changes in:			
Trade and other debtors		23,346	(43,526)
Trade and other creditors		241,046	(189,099)
Cash generated from operations		113,440	(155,670)
Interest paid		(21,205)	(17,377)
Net cash from/(used in) operating activities		92,235	(173,047)
Cash flows from investing activities			
Purchase of tangible assets		(72,052)	(47,154)
Net cash used in investing activities		(72,052)	(47,154)
Cash flows from financing activities			
Proceeds from borrowings		(55,386)	121,349
Government grant income		81,263	–
Net cash from financing activities		25,877	121,349
Net increase/(decrease) in cash and cash equivalents		46,060	(98,852)
Cash and cash equivalents at beginning of year		(9,463)	89,389
Cash and cash equivalents at end of year	**18**	36,597	(9,463)

The notes on pages 16 to 28 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Chocolate Factory, 4 Coburg Road, London, N22 6UJ, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

In light of the worldwide impact of Covid-19 the trustees have considered the future trading projections. In consideration of these projections the directors are monitoring the progress and effect of the spread of the virus, though they are unable to immediately quantify its impact on future commerciality. Strategies and policies to manage the evolving developments have been implemented by them, specifically;

- Monitoring changes in project uptake and progress
- Changing its way of working to the use of a remote office
- Reducing number of staff to minimise the costs
- Moving delivery of project online
- Applying for Covid-19 recovery funding available
- Identifying new Patrons to support specific project delivery
- Getting support from funders already funding the organisation like Big Issue Invest

The directors projections lead them to believe that the charity has sufficient resources to bear the global impact within its particular sector.

Judgements and key sources of estimation uncertainty

In producing these accounts the trustees have considered accounting policies & relevant estimates. In the trustees opinion and to the best of their knowledge significant accounting entries are based upon facts. However, these accounts do include estimates in relation to useful life of assets and immaterial prepayments and accruals.

3. **Accounting policies** *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

3. **Accounting policies** *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

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

Short leasehold property	-	Over the period of lease
Fixtures and fittings	-	25% straight line

3. **Accounting policies** *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

3. **Accounting policies** *(continued)*

Defined contribution plans *(continued)*

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. **Limited by guarantee**

The Company is a company Limited by Guarantee. Under the terms of the company's Memorandum of Association, every member of the Association undertakes to contribute to the assets in the event that the company is wound up during the time that he is a member (or within one year of ceasing to be a member) and should the assets of the company be insufficient to meet its liabilities on winding up. The extent of each members contribution to the assets in such circumstances is however limited to a maximum of ten pounds sterling.

5. **Donations and legacies**

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
Grants			
General grants	52,916	–	52,916
London Youth	–	10,997	10,997
Wandsworth	–	1,044	1,044
European	–	611	611
Community Links	–	–	–
Arts Council	–	31,095	31,095
NAT Heritage	–	–	–
Capital Grant	–	36,600	36,600
Bauer Media	–	–	–
Collage Works	–	108,705	108,705
Creative Land Trust	–	25,520	25,520
BBC Children In Need	–	9,940	9,940
Haringay Council	–	33,791	33,791
Peoples Post Code	–	20,000	20,000
Amplify	–	4,798	4,798
Access Impact	–	4,200	4,200
Covid 19	–	39,531	39,531
Centre for Discovery	–	5,000	5,000
Government grant income	81,263	–	81,263
	134,179	331,832	466,011

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Grants			
General grants	51,625	–	51,625
London Youth	–	–	–
Wandsworth	–	–	–
European	–	103,246	103,246
Community Links	–	63,306	63,306
Arts Council	–	1,217	1,217
NAT Heritage	–	97,400	97,400
Capital Grant	–	182,150	182,150
Bauer Media	10,008	–	10,008
Collage Works	–	17,887	17,887
Creative Land Trust	–	–	–
BBC Children In Need	–	–	–
Haringay Council	–	–	–
Peoples Post Code	–	–	–
Amplify	–	–	–
Access Impact	–	–	–
Covid 19	–	–	–
Centre for Discovery	–	–	–
Government grant income	–	–	–
	61,633	465,206	526,839

6. Charitable activities

	Unrestricted Funds £	**Total Funds 2020 £**	Unrestricted Funds £	Total Funds 2019 £
Exceptional income from charitable activities	–	–	71,600	71,600

7. Other income

	Unrestricted Funds £	**Total Funds 2020 £**	Unrestricted Funds £	Total Funds 2019 £
Other income - Rental income	978,744	978,744	966,113	966,113
Other incoming resources	7,803	7,803	42,428	42,428
	986,547	986,547	1,008,541	1,008,541

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
General donations	1,348,863	–	1,348,863
Nat Heritage	–	–	–
European Projects	–	44,987	44,987
Community Links	–	–	–
Arts Council and Creative Employment	–	31,095	31,095
Collage Works	–	128,326	128,326
Haringey Council	–	33,791	33,791
Creative Land Trust	–	25,520	25,520
Access Impact	–	4,200	4,200
Support costs	6,000	–	6,000
	1,354,863	267,919	1,622,782

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
General donations	1,133,356	260,539	1,393,896
Nat Heritage	–	97,400	97,400
European Projects	–	97,114	97,114
Community Links	–	84,134	84,134
Arts Council and Creative Employment	–	1,217	1,217
Collage Works	–	4,194	4,193
Haringey Council	–	–	–
Creative Land Trust	–	–	–
Access Impact	–	–	–
Governance costs	6,000	–	6,000
	1,139,356	544,598	1,683,954

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	**Total funds 2020**	Total fund 2019
	£	£	**£**	£
General donations	1,348,863	–	1,348,863	1,393,896
Nat Heritage	–	–	–	97,400
European Projects	44,987	–	44,987	97,114
Community Links	–	–	–	84,134
Arts Council and Creative Employment	31,095	–	31,095	1,217
Collage Works	128,326	–	128,326	4,193
Haringey Council	33,791	–	33,791	–
Creative Land Trust	25,520	–	25,520	–
Access Impact	4,200	–	4,200	–
Governance costs	–	6,000	6,000	6,000
	1,616,782	6,000	1,622,782	1,683,954

10. Analysis of support costs

	Analysis of support costs	**Total 2020**	Total 2019
	£	**£**	£
Governance costs	6,000	6,000	6,000

11. Net expenditure

Net expenditure is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	52,418	87,535

12. Auditors remuneration

	2020	2019
	£	£
Fees payable for the audit of the financial statements	6,000	6,000

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	296,408	276,553
Social security costs	26,134	18,241
Employer contributions to pension plans	3,511	4,457
	326,053	299,251

13. Staff costs *(continued)*

The average head count of employees during the year was 13 (2019: 12). The average number of full-time equivalent employees during the year is analysed as follows:

	2020 No.	2019 No.
Number of staff – support staff	11	10
Number of staff – head office	2	2
	13	12

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £50,000 (2019:£50,000).

14. Trustee remuneration and expenses

There were no trustees remuneration or benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

There were no trustees expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.

15. Analysis of expenses

	2020 £	2019 £
Training fees	286,129	261,210
Rental costs	872,777	902,484
Office costs	38,509	48,626
Legal and professional	8,801	9,088
Event costs	(23)	40,524
Bank and loan interest charges	21,205	17,377
Staff costs and employer NI	326,053	299,251
Premises and computer costs	10,914	11,859
Support costs	6,000	6,000
Depreciation	52,418	87,535
	1,622,782	1,683,954

16. Tangible fixed assets

	Short leasehold property £	Fixtures and fittings £	Paintings £	**Total £**
Cost				
At 1 January 2020	1,525,522	505,273	33,100	2,063,895
Additions	35,052	37,000	–	72,052
At 31 December 2020	1,560,574	542,273	33,100	2,135,947
Depreciation				
At 1 January 2020	856,552	502,239	–	1,358,791
Charge for the year	52,132	286	–	52,418
At 31 December 2020	908,684	502,525	–	1,411,209
Carrying amount				
At 31 December 2020	651,890	39,748	33,100	724,738
At 31 December 2019	668,970	3,034	33,100	705,104

17. Debtors

	2020 £	2019 £
Trade debtors	269,754	297,555
Prepayments and accrued income	107,711	135,637
Other debtors	58,243	58,243
	435,708	491,435

The debtors above include the following amounts falling due after more than one year:

	2020 £	2019 £
Other debtors	32,398	32,398

18. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2020 £	2019 £
Cash at bank and in hand	42,079	36
Bank overdrafts	(5,482)	(9,499)
	36,597	(9,463)

19. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	81,669	116,490
Trade creditors	568,236	371,255
Accruals and deferred income	21,149	26,618
Social security and other taxes	65,519	62,647
Other creditors	113,766	116,575
	850,339	693,585

20. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	146,846	171,428
Other creditors	65,917	21,915
	212,763	193,343

Bank loans are secured against the lease of Chocolate Factory 2 which is due to expire in October 2026.

21. Deferred income

	2020	2019
	£	£
At 1 January 2020	–	235,285
Amount released to income	–	(235,285)
At 31 December 2020	–	–

22. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £3,511 (2019: £4,457).

23. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2020	2019
	£	£
Recognised in income from donations and legacies:		
Government grants income	81,263	–

24. Analysis of charitable funds

Unrestricted funds

	At 1 January 2020 £	Income £	Expenditure £	**At 31 December 2020** £
General funds	268,598	1,120,726	(1,354,863)	34,461

	At 1 January 2019 £	Income £	Expenditure £	At 31 December 2019 £
General funds	266,180	1,141,774	(1,139,356)	268,598

Restricted funds

	At 1 January 2020 £	Income £	Expenditure £	**At 31 December 2020** £
London Youth	(10,997)	10,997	–	–
Wandsworth	(1,044)	1,044	–	–
European	38,608	611	(44,988)	(5,769)
Community Links	–	–	–	–
Arts Council	–	31,095	(31,095)	–
NAT Heritage	–	–	–	–
Capital Grant	789	36,600	–	37,389
Collage Works	13,693	108,705	(128,325)	(5,927)
Creative Land Trust	–	25,520	(25,520)	–
BBC Children in Need	–	9,940	–	9,940
Haringey Council	–	33,791	(33,791)	–
Peoples Postcode	–	20,000	–	20,000
Amplify	–	4,798	–	4,798
Access Impact	–	4,200	(4,200)	–
Covid-19	–	39,531	–	39,531
Centre for Discovery	–	5,000	–	5,000
	41,049	331,832	(267,919)	104,962

24. Analysis of charitable funds

Restricted funds *(continued)*

	At 1 January 2019 £	Income £	Expenditure £	At 31 December 2019 £
London Youth	(10,997)	–	–	(10,997)
Wandsworth	(1,044)	–	–	(1,044)
European	32,476	103,246	(97,114)	38,608
Community Links	20,828	63,306	(84,134)	–
Arts Council	–	1,217	(1,217)	–
NAT Heritage	–	97,400	(97,400)	–
Capital Grant	79,178	182,150	(260,539)	789
Collage Works	–	17,887	(4,194)	13,693
	120,441	465,206	(544,598)	41,049

25. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
Tangible fixed assets	724,738	–	724,738
Current assets	372,825	104,962	477,787
Creditors less than 1 year	(850,339)	–	(850,339)
Creditors greater than 1 year	(212,763)	–	(212,763)
Net assets	34,461	104,962	139,423

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	705,104	–	705,104
Current assets	450,422	41,049	491,471
Creditors less than 1 year	(693,585)	–	(693,585)
Creditors greater than 1 year	(193,343)	–	(193,343)
Net assets	268,598	41,049	309,647

26. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than 1 year	567,263	642,043
Later than 1 year and not later than 5 years	1,652,735	1,271,672
Later than 5 years	7,621,260	762,126
	9,841,258	2,675,841