



ART CARE EDUCATION

Business Plan

Art Care Education
Old Town Hall
Market Place
Somerton
Somerset
TA11 7NB

Charity Number: 1166886

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hello@acearts.co.uk
www.acearts.co.uk

IN BRIEF

ACEarts has been established for over five years and continues to grow, both within the community and in the wider art world. Our annual programme of exhibitions underpins all the other work we do: supporting local artists and makers; working with specific groups through our outreach programme and; holding workshops, classes, group meetings and other events. We aim to inspire everyone to engage with art in some way for their well-being, growth and personal development, whatever their circumstances. We believe everyone can, and should, benefit from creativity.

We want to remain a valuable part of our local community, in our beautiful building centrally based in this picturesque, historic town. We want to be financially stable, independent and able to offer art based opportunities to all, whilst continuing to support local artists.

ABOUT THE CHARITY

Art Care Education, known as ACEarts, was created in 2016 starting out in The Courthouse, West Street whilst renovations were completed on our current building. The charity then moved into The Old Town Hall, a centrally located listed building with a ground floor retail space and upper gallery area. Exhibitions began in January 2017 with works by three local artists and we continue expand our annual exhibition programme and the range of work by local artists sold in the retail space. We introduced events and workshops to complement the gallery shows and commenced our outreach projects February 2017 working with a local school. In our fifth year ACEarts is now an important part of the both the local artists community and the town's growing population. We have a small team lead by our Gallery Manager, all of whom offer a warm welcome and extensive knowledge of the exhibitions and items for sale.

AIM AND PURPOSE

The charity's aim is to provide art and creative activity to inspire, empower and enable people to develop and grow. We pursue this objective through the delivery of an annual programme of exhibitions and associated workshops and creative activities designed to encourage people of all ages and abilities to benefit from engagement with the arts. A significant proportion of our work focuses on the mutual benefits that can be derived from activities which combine art, healthcare and education hence the name of our charity.

Art: enabling art and crafts people to have an opportunity to bring their work into the public domain – giving them the chance to display and sell their work to the public via the retail space, through exhibitions and to connect directly with their audience

Care: working closely with other organisations to bring creativity into the lives of the people who use their services, with a focus on health and wellbeing for the local community, especially older people, school aged children and those with mental health difficulties and learning differences.

Education: providing workshops and courses for all members of the local community to attend and to become involved in “art” in the broadest sense; increased gallery engagement through artist talks and resource packs themed on current exhibition.

WHAT WE DO

Within our dedicated exhibition space in the upper part of the building we present an inspiring annual programme of free exhibitions providing a platform for mainly local and some national artists. We are delighted with the response that we have received from a wide range of artists and makers who continue to contribute to our broad spectrum of exhibitions since starting in January 2017.

Alongside the programme of exhibitions, we deliver events, workshops, talks and activities that complement and enhance the exhibits. The latest being the 2021 Summer School – a series of subsidised family friendly courses running alongside 'Putting on a Show', a community exhibition showcasing the work of local school children and older residents resulting from a number of sessions facilitated by a local artist making puppets. Summer school offers everyone the opportunity to take part in a wide range of art and craft based activities in the inspiring gallery surroundings including the opportunity to make their own additions to the show.

The lower floor of the building is dedicated to a retail space/gallery where up to 100 local artists display and sell their work to the general public. ACEarts curates this space and receives 45% from the sale of each item, all profits go towards the delivery of our charitable activities. During lockdown we worked on our digital development and introduced our on-line shop, showcasing a curated range of the items available in store. This has been developed even further offering numerous courses, workshops for the community to book and enjoy.

Early part of 2023 we took on a lease for "NO1" West Street and this is rented out to artists as a "pop up" shop enabling them to showcase their talents to a wider audience which in turn increase footfall into the Town centre and gives members of the public more variety and choice. This space can also be used for the community and local charities.

WHO WE DO IT FOR

We aim to provide accessible community art and craft based activities to everyone - we would like to reach all of the local community as well as being an interesting tourist addition to our beautiful town. We encourage everyone to participate in creativity in some way; by visiting an exhibition, browsing our retail space, attending one off cultural events or by being involved in one of many outreach projects.

To further this end, we have created a short questionnaire for all residents of Somerton to complete – we want to discover which art based activities would inspire more people to become involved with the charity in some capacity.

WHAT WE HOPE TO ACHIEVE

Our Vision Statement

Somerton is a town in which all people -in particular, but not exclusively, the elderly, young and those in poor health – are able to be inspired and empowered by art, and to develop and grow through engagement in artistic activities.

Mission Statement

To secure our position by preserving the Old Town Hall as a place where artists and crafts people can engage with the public through exhibitions, educational opportunities and workshops, and outreach into the community.

Financial Stability

Although successful in accessing funding for projects, we need to access larger funding pots to fund core costs and improve financial stability. The building has been secured with a 25 year lease and favourable rent from a local supportive landlord. This is fundamental in being able to offer and involve all the community in what we do as a charity. Our focus for the 2023/2024 is to make the building accessible for all and to install a lift to the first floor enabling us to be inclusive to all living with disabilities/mobility challenges. Increasing footfall and sales to be sustainable. We will continue to seek funding for both core and project costs as well as looking at ways to fundraise including regular giving, Somerton Market and other community events, rental for NO1 West Street.

We are looking to increase our scope with more of our own fair-trade ranges within the gallery and target a wider audience. We need to target, increase our income percentage to stabilise ourselves for the future and not be so reliant on having to access funders for our core costs.

Expanding the Range of Activities

Broadening range of activity from types of exhibitions to activities and events taking place will maximise use of the building and increase income from it. The Second Space exhibition area should increase footfall, and enable us to support emerging artists. Utilising the space in the evenings by holding a varied range of events (ACE Late?) will attract different people into the gallery. Getting a licence to enable serving of alcohol would increase attractiveness. We will work with more local artists to show their work in our main gallery or the Second Space where we will champion under-represented groups such as emerging or returning to practice artists – exhibiting and viewing in either gallery will remain free to all.

Engaging with art can have a very positive effect on mental health. We want to focus more on mental health, which feels appropriate as we gradually emerge from the pandemic, with young people 16 – 21 particularly affected. We are keen to explore the benefits of intergenerational work, and a proposal was made to access research expertise to help develop what we offer. We want to expand the range of outreach projects we can undertake and as well as those mentioned above, want to remain working with those sections of the community who find it harder to access art based experiences.

We are also introducing more longer term high ticketed courses to appeal to individuals who wish to develop their skills and have a certificated qualification at the end of the term.

Marketing

We need to develop a marketing strategy to widen the publicity and increase the number of people visiting, attracting people who wouldn't normally visit a gallery. This will include expanding our social media output to cover Twitter and Pinterest as well as increased presence on Facebook and Instagram.

We want to increase our profile in the local community, so we need to find out what the community want from us, via a survey. This will also help us to access core funding streams. We have a great volunteer base who can help with surveys and promotion. We will analyse the results of the survey to assess where we can best offer art experiences to reach a wider and more diverse audience. This would be reflected in increased visitor numbers, greater digital reach and more people added to our mailing list. We would look at a variety of feedback tools to ensure we are delivering what people want and need.

Although we aim to be a local hub, we also want to attract visitors from further afield and become a regional / national destination. We could tap into the increased popularity of other local arty destinations such as Bruton and Frome. There is also potential synergy with other organisations locally. We will continue to visit and converse with other arts organisations to look at areas of commonality and contrast as well as taking part in joint initiatives where all concerned benefit from the partnerships and increased opportunities for engagement with art.

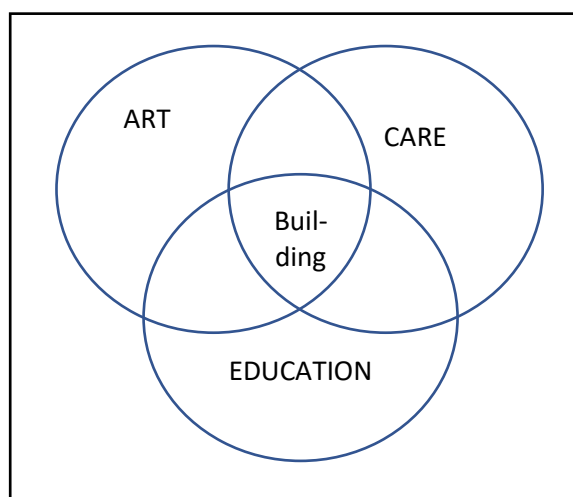
Broaden Trustee Base

We wish to recruit another trustee from younger age band.

Securing the Building

The gallery and exhibitions are central to ACEart's activities - Art, Care and Education. As such we have achieved our long term plan to secure the beautiful building with a 25 year lease and a supportive, local landlord . This now enable us to build for the future and concentrate on sustainability for ACE with financial security for our charity, our network of local artists and the community as a whole.

This would also mean we could invest in the building to make it more accessible, for instance by installing a lift. The ability to isolate access to the shop would enable independent events in the gallery.



OUR PEOPLE

The charity currently has 6 / 7 trustees, they are:

- Sir John Sebastian Chance – Chair, local professional artist and ex-art teacher
- Alyson Martin MBE –Director of a local company
- Andrew Elfick – Business system analyst for financial services (retired)
- Shirley Chapman – Currently working for local company
- Sandra Meech – A stitched textile and mixed media artist
- Rhianon Goch – Financial services

The gallery has been managed since its inception by Nina Gronw-Lewis, an experienced artist whose expertise and enthusiasm ensures the charity remains a great amenity for artists and participants alike. She is supported by a small, friendly and knowledgeable part-time team comprising 2 Gallery Assistants, an Outreach Coordinator, a Fundraiser and a Finance Officer.

The Gallery benefits from the contribution of a growing band of volunteers. Volunteer numbers have grown considerably to 44 in number and contribute in varying ways:

- supporting the gallery by attending the opening of exhibitions
- stewarding exhibitions
- offering practical help, e.g. making tea, talking to visitors
- contributing financially to the charity
- organising and supporting fundraising events
- or just supporting the charity in spirit

FINANCIALS

Statement of Financial Activities for the year ending March 23: **see accounts**

Income and Endowments from Donations and Legacies:	£
Expenditure on Raising Funds:	-£
Transfers between Funds:	-£
Total Funds brought forward:	£
Total Funds carried forward	£

Balance Sheet for the year ending March 23: **see accounts**

Fixed Assets:	£
Current Assets	£
Creditors with Amounts Falling Due within One Year	-£
Net Current Assets:	£
Total Assets less Current Liabilities:	£
Total Funds of the Charity:	£

Income

The charity generates income in the following ways:

- Cash sales – 45% of the sales price of items sold from the exhibitions or the retail space – we aim to increase our own range and generate 75% - 25%
- Classes and workshops – participants are charged to attend, with prices varying by course
- Grants, Fundraising and Donations:

Funding

£12500 received in grants over the last year, which have helped ACE over these challenging times.

Funder	Amount	Project

Fundraising

£15,000 including events Christmas light switch on, pop up shop ebay sales, clothes sales, give as you live platforms.

Despite a year of restrictions and lockdowns, the charity raised **£578.76** from the monthly Somerton market.

Donations

£3400 in donations

Gift aid

The sum of £2990 received from HMRC.

Regular monthly giving

Regular sums, totalling £1500, help towards core costs.

Expenditure

The main items of expenditure are:

- Staff costs of employment
- Commission to artists and a small amount of ethically sourced bought in stock
- Rent, rates and utility bills for the Gallery building
- Advertising and PR
- Office and professional costs

Reserves Policy

ACEarts aims to retain a minimum of 3 months' costs in the bank.

Forecasts

Sales in on-line shop have risen steadily over the first 5 years of operation, but we do still need this to be supplemented by grant funding for the foreseeable future. Although we do now have an online shop, sales from this are limited due to the nature of items for sale – art and craft is very visual, and customers very often need to see the physical product to appreciate it fully.

Growth from sales is not expected to be huge and experience elsewhere advises that it will most likely reach a plateau and remain there – we could be there or very close currently. It is anticipated that the charity will continue to need around £30,000 per annum in grant funding to remain financially stable.

For Internal Use Only:

CRITICAL RISKS

The pandemic has been an unexpected and extremely critical risk to the business – without support from Arts Council England the charity would not have survived being closed for over half of the last financial year. The chance of this reoccurring remains probably the biggest risk for the organisation currently. Other risk factors include loss of key members of staff and potential loss of the building, through decrepitude or sale, it is currently on a short term lease and the landlord is changing this year. Cost of living crisis has had a big impact in core costs especially utilities and impact on sales due the lack of people purchasing luxury goods.

To minimise risk we continue to seek suitable funding, have unrestricted reserves of around 2 – 3 months operating costs, and are looking at ways to purchase the building for the charity.

SWOT Analysis: Strengths, Weaknesses, Opportunities, Threats

Strengths

- Unique combination of supporting care and education through art
- Experience of Gallery Manager, volunteers and Trustees
- Strong connections with the art and care environments
- Having a willing body of volunteers
- Location in a unique historic building with high quality exhibition and sales space
- Situated in thriving market town of Somerton
- Our board members and the skills they bring
- Our target population are our demographic
- Our physical resources, our location, building and equipment
- Our programme, its variety and the audiences that brings.
- New post dedicated to funding and fundraising
- Providing opportunities for artists to develop and exhibit their work

Weaknesses

- Reliance on a small team of key individuals
- Reliance on the goodwill of volunteers
- Lack of core funding
- Not as well known in local community as we'd like to be

Opportunities

- Delivery of more outreach services into care and education settings
- Becoming a Dementia Friendly Gallery
- The gallery is a great physical environment
- Somerton is a growing town
- The town is on a good bus route
- Cementing closer relationships with the town
- Partnering with other organisations
- Developing relationships with galleries and Art organisations in the South West region and beyond
- Links with HE institutions

Threats

- Lacking charitable investment
- Uncertainty regarding long term future of the building
- Uncertainty around easing of restrictions post-Covid and the economy
- School moving further away
- Lack of public support

Company registration number: 09815245

Charity registration number: 1166886

Art Care Education

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

Blue Lias Accounting Limited
Chartered Accountants
Walker House
Market Place
Somerton
Somerset
TA11 7LX

Art Care Education

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Art Care Education

Reference and Administrative Details

Chairman	Mr Andrew Elfick
Charity Registration Number	1166886
Company Registration Number	09815245
Registered Office	The charity is incorporated in Wales. Walker House Market Place Somerton Somerset TA11 7LZ
Independent Examiner	Blue Lias Accounting Limited Chartered Accountants Walker House Market Place Somerton Somerset TA11 7LX
Accountants	Blue Lias Accounting Limited Walker House Market Place Somerton Somerset TA11 7LX

Art Care Education

Strategic Report for the Year Ended 31 March 2024

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2024, in compliance with s414C of the Companies Act 2006.

The strategic report was approved by the trustees of the charity on and signed on its behalf by:


.....

Mr Andrew Elfick
Chairman and trustee

Art Care Education

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2024.

Objectives and activities

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Mrs Alyson Lynne Martin (resigned 12 September 2023)
	Sir John Sebastian Chance
	Mrs Shirley Ann Chapman
	Mr Andrew Elfick
	Rhiannon Gogh (resigned 28 November 2023)
	Sandra Meech
	Judi Sheffield (appointed 12 September 2023 and resigned 28 November 2023)
	Rhiannon Cross (appointed 28 November 2023)
Chairman:	Mr Andrew Elfick

Structure, governance and management

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Art Care Education

Trustees' Report

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Statement of trustees' responsibilities

The trustees (who are also the directors of Art Care Education 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Art Care Education

Trustees' Report

The annual report was approved by the trustees of the charity on and signed on its behalf by:


.....

Mr Andrew Elfick
Chairman and trustee

Art Care Education

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2024 £
Income and Endowments from:			
Donations and legacies	3	147,667	147,667
Investment income	4	40	40
Other income		<u>7,018</u>	<u>7,018</u>
Total income		<u>154,725</u>	<u>154,725</u>
Expenditure on:			
Raising funds	5	(122,479)	(122,479)
Charitable activities	6	<u>(27,868)</u>	<u>(27,868)</u>
Total expenditure		<u>(150,347)</u>	<u>(150,347)</u>
Net income		<u>4,378</u>	<u>4,378</u>
Net movement in funds		4,378	4,378
Reconciliation of funds			
Total funds brought forward		<u>10,590</u>	<u>10,590</u>
Total funds carried forward	20	<u>14,968</u>	<u>14,968</u>
	Note	Unrestricted funds £	Total 2023 £
Income and Endowments from:			
Donations and legacies	3	143,653	143,653
Investment income	4	51	51
Other income		<u>3,636</u>	<u>3,636</u>
Total income		<u>147,340</u>	<u>147,340</u>
Expenditure on:			
Raising funds	5	(130,611)	(130,611)
Charitable activities	6	<u>(42,030)</u>	<u>(42,030)</u>
Total expenditure		<u>(172,641)</u>	<u>(172,641)</u>
Net expenditure		<u>(25,301)</u>	<u>(25,301)</u>
Net movement in funds		(25,301)	(25,301)
Reconciliation of funds			
Total funds brought forward		<u>35,891</u>	<u>35,891</u>
Total funds carried forward	20	<u>10,590</u>	<u>10,590</u>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 9 to 18 form an integral part of these financial statements.

Art Care Education

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

The funds breakdown for 2023 is shown in note 20.

The notes on pages 9 to 18 form an integral part of these financial statements.

Art Care Education
(Registration number: 09815245)
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	778	767
Current assets			
Stocks	14	3,500	1,500
Debtors	15	10,832	5,642
Cash at bank and in hand	16	8,408	6,595
		22,740	13,737
Creditors: Amounts falling due within one year	17	(8,550)	(3,914)
Net current assets		14,190	9,823
Net assets		14,968	10,590
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		14,968	10,590
Total funds	20	14,968	10,590

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

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 6 to 18 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
Mr Andrew Elfick
Chairman and trustee

The notes on pages 9 to 18 form an integral part of these financial statements.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The charity is limited by share capital, incorporated in Wales.

The address of its registered office is:

Walker House
Market Place
Somerton
Somerset
TA11 7LZ

[Authorised for issue date](#)

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

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

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

- (i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
- (ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
- (iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

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

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Legacies	30,411	30,411
Gift aid reclaimed	1,598	1,598
Grants, including capital grants;		
Government grants	3,000	3,000
Regular giving and capital donations	112,658	112,658
Total for 2024	<u>147,667</u>	<u>147,667</u>
Total for 2023	<u>143,653</u>	<u>143,653</u>

4 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	40	40
Total for 2024	<u>40</u>	<u>40</u>
Total for 2023	<u>51</u>	<u>51</u>

5 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds General £	Total funds £
Costs of goods sold	70,176	70,176
Total for 2024	<u>70,176</u>	<u>70,176</u>
Total for 2023	<u>73,627</u>	<u>73,627</u>

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

			Total costs £
6 Expenditure on charitable activities			
	Note	Unrestricted funds General £	Total funds £
Governance costs	7	27,868	27,868
Total for 2023		42,030	42,030
			Total expenditure £

In addition to the expenditure analysed above, there are also governance costs of £27,868 (2023 - £42,030) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Staff costs		
Pension costs	1,569	1,569
Audit fees		
Other fees paid to auditors	1,699	1,699
Marketing and publicity	2,627	2,627
Depreciation, amortisation and other similar costs	288	288
Other governance costs	21,685	21,685
Total for 2024	<u>27,868</u>	<u>27,868</u>
Total for 2023	<u>42,030</u>	<u>42,030</u>

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

8 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2024 £	2023 £
Depreciation of fixed assets	288	298

9 Trustees remuneration and expenses

10 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	52,303	56,984
Pension costs	1,569	1,300
Other staff costs	-	255
	53,872	58,539

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

11 Auditors' remuneration

	2024 £	2023 £
Other fees to auditors		
The auditing of accounts of any associate of the charity	1,699	1,153

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2023	3,618	3,618
Additions	300	300
At 31 March 2024	3,918	3,918
Depreciation		
At 1 April 2023	3,140	3,140
At 31 March 2024	3,140	3,140
Net book value		
At 31 March 2024	778	778
At 31 March 2023	478	478

14 Stock

	2024 £	2023 £
Stocks	3,500	1,500

15 Debtors

	2024 £	2023 £
Trade debtors	3,814	2,455
Other debtors	7,018	3,187
	10,832	5,642

16 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	372	103
Cash at bank	2,003	6,491
Short-term deposits	6,033	1
	8,408	6,595

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

17 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	7,005	2,467
Other taxation and social security	428	541
Other creditors	300	321
Accruals	817	585
	<u>8,550</u>	<u>3,914</u>

18 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £1,569 (2023 - £1,300).

19 Share capital

20 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £
Unrestricted funds				
General	<u>10,590</u>	<u>154,725</u>	<u>(150,347)</u>	<u>14,968</u>
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
General	<u>35,891</u>	<u>147,340</u>	<u>(172,641)</u>	<u>10,590</u>

21 Analysis of net assets between funds

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

	Unrestricted funds General £	Total funds at 31 March 2024 £
Tangible fixed assets	778	778
Current assets	22,740	22,740
Current liabilities	(8,550)	(8,550)
Total net assets	<u>14,968</u>	<u>14,968</u>
	Unrestricted funds General £	Total funds at 31 March 2023 £
Tangible fixed assets	767	767
Current assets	13,737	13,737
Current liabilities	(3,914)	(3,914)
Total net assets	<u>10,590</u>	<u>10,590</u>

22 Analysis of net funds

	At 1 April 2023 £	At 31 March 2024 £
Cash at bank and in hand	<u>6,595</u>	<u>6,595</u>
Net debt	<u>6,595</u>	<u>6,595</u>
	At 1 April 2022 £	At 31 March 2023 £
Cash at bank and in hand	<u>31,231</u>	<u>31,231</u>
Net debt	<u>31,231</u>	<u>31,231</u>

Art Care Education

Statement of Financial Activities by fund for the Year Ended 31 March 2024

Unrestricted Funds

	Total Unrestricted Funds 2024 £	Total Unrestricted Funds 2023 £
Income and Endowments from:		
Donations and legacies	147,667	143,653
Investment income	40	51
Other income	7,018	3,636
Total income	<u>154,725</u>	<u>147,340</u>
Expenditure on:		
Raising funds	(122,479)	(130,611)
Charitable activities	<u>(27,868)</u>	<u>(42,030)</u>
Total expenditure	<u>(150,347)</u>	<u>(172,641)</u>
Net income/(expenditure)	<u>4,378</u>	<u>(25,301)</u>
Net movement in funds	4,378	(25,301)
Reconciliation of funds		
Total funds brought forward	<u>10,590</u>	<u>35,891</u>
Total funds carried forward	<u>14,968</u>	<u>10,590</u>

Art Care Education

Detailed Statement of Financial Activities for the Year Ended 31 March 2024

	Total 2024 £	Total 2023 £
Income and Endowments from:		
Donations and legacies (analysed below)	147,667	143,653
Investment income (analysed below)	40	51
Other income (analysed below)	<u>7,018</u>	<u>3,636</u>
Total income	<u>154,725</u>	<u>147,340</u>
Expenditure on:		
Raising funds (analysed below)	(122,479)	(130,611)
Charitable activities (analysed below)	<u>(27,868)</u>	<u>(42,030)</u>
Total expenditure	<u>(150,347)</u>	<u>(172,641)</u>
Net income/(expenditure)	<u>4,378</u>	<u>(25,301)</u>
Net movement in funds	4,378	(25,301)
Reconciliation of funds		
Total funds brought forward	<u>10,590</u>	<u>35,891</u>
Total funds carried forward	<u><u>14,968</u></u>	<u><u>10,590</u></u>

Art Care Education

Detailed Statement of Financial Activities for the Year Ended 31 March 2024

	Total 2024 £	Total 2023 £
<i>Donations and legacies</i>		
Sales	112,658	101,798
Donations and legacies	30,411	32,619
Gift Aid tax reclaimed	1,598	1,630
UK Government grants	3,000	1,606
Rent Donation	-	6,000
	<u>147,667</u>	<u>143,653</u>
<i>Investment income</i>		
Interest on cash deposits	40	51
	<u>40</u>	<u>51</u>
<i>Other income</i>		
Other income	7,018	3,636
	<u>7,018</u>	<u>3,636</u>
<i>Raising funds</i>		
Opening stock	(1,500)	(2,500)
Purchases	(6,174)	(8,813)
Direct costs	(61,366)	(63,259)
Closing stock	3,500	1,500
Wages and salaries	(52,303)	(56,984)
Subcontract cost	(4,636)	(555)
	<u>(122,479)</u>	<u>(130,611)</u>
<i>Charitable activities</i>		
Staff pensions (Defined contribution) - pension scheme 1	(1,569)	(1,300)
Staff training	-	(255)
Rent	(6,000)	(18,250)
Rates	-	(593)
Light, heat and power	(4,945)	(3,338)
Insurance	(1,051)	(2,212)
Repairs and maintenance	(691)	(2,132)
Equipment repairs and renewals	(860)	(263)
Telephone and fax	(839)	(883)
Computer software and maintenance costs	(2,107)	(2,164)
Printing, postage and stationery	(566)	(337)
Trade subscriptions	(607)	(570)
Charitable donations	-	(21)
Sundry expenses	(1,288)	(1,532)

This page does not form part of the statutory financial statements.

Art Care Education

Detailed Statement of Financial Activities for the Year Ended 31 March 2024

	Total 2024 £	Total 2023 £
Advertising	(2,627)	(4,171)
Accountancy fees	(1,699)	(1,153)
Card charges	(2,731)	(2,558)
Depreciation expense	<u>(288)</u>	<u>(298)</u>
	<u><u>(27,868)</u></u>	<u><u>(42,030)</u></u>

Company registration number: 09815245

Charity registration number: 1166886

Art Care Education

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

Blue Lias Accounting Limited
Chartered Accountants
Walker House
Market Place
Somerton
Somerset
TA11 7LX

Art Care Education

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Art Care Education

Reference and Administrative Details

Chairman	Mr Andrew Elfick
Charity Registration Number	1166886
Company Registration Number	09815245
Registered Office	The charity is incorporated in Wales. Walker House Market Place Somerton Somerset TA11 7LZ
Independent Examiner	Blue Lias Accounting Limited Chartered Accountants Walker House Market Place Somerton Somerset TA11 7LX
Accountants	Blue Lias Accounting Limited Walker House Market Place Somerton Somerset TA11 7LX

Art Care Education

Strategic Report for the Year Ended 31 March 2024

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2024, in compliance with s414C of the Companies Act 2006.

The strategic report was approved by the trustees of the charity on and signed on its behalf by:


.....

Mr Andrew Elfick
Chairman and trustee

Art Care Education

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2024.

Objectives and activities

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Mrs Alyson Lynne Martin (resigned 12 September 2023)
	Sir John Sebastian Chance
	Mrs Shirley Ann Chapman
	Mr Andrew Elfick
	Rhiannon Gogh (resigned 28 November 2023)
	Sandra Meech
	Judi Sheffield (appointed 12 September 2023 and resigned 28 November 2023)
	Rhiannon Cross (appointed 28 November 2023)
Chairman:	Mr Andrew Elfick

Structure, governance and management

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Art Care Education

Trustees' Report

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Statement of trustees' responsibilities

The trustees (who are also the directors of Art Care Education 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Art Care Education

Trustees' Report

The annual report was approved by the trustees of the charity on and signed on its behalf by:



.....
Mr Andrew Elfick
Chairman and trustee

Art Care Education

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2024 £
Income and Endowments from:			
Donations and legacies	3	147,667	147,667
Investment income	4	40	40
Other income		<u>7,018</u>	<u>7,018</u>
Total income		<u>154,725</u>	<u>154,725</u>
Expenditure on:			
Raising funds	5	(122,479)	(122,479)
Charitable activities	6	<u>(27,868)</u>	<u>(27,868)</u>
Total expenditure		<u>(150,347)</u>	<u>(150,347)</u>
Net income		<u>4,378</u>	<u>4,378</u>
Net movement in funds		4,378	4,378
Reconciliation of funds			
Total funds brought forward		<u>10,590</u>	<u>10,590</u>
Total funds carried forward	20	<u>14,968</u>	<u>14,968</u>
	Note	Unrestricted funds £	Total 2023 £
Income and Endowments from:			
Donations and legacies	3	143,653	143,653
Investment income	4	51	51
Other income		<u>3,636</u>	<u>3,636</u>
Total income		<u>147,340</u>	<u>147,340</u>
Expenditure on:			
Raising funds	5	(130,611)	(130,611)
Charitable activities	6	<u>(42,030)</u>	<u>(42,030)</u>
Total expenditure		<u>(172,641)</u>	<u>(172,641)</u>
Net expenditure		<u>(25,301)</u>	<u>(25,301)</u>
Net movement in funds		(25,301)	(25,301)
Reconciliation of funds			
Total funds brought forward		<u>35,891</u>	<u>35,891</u>
Total funds carried forward	20	<u>10,590</u>	<u>10,590</u>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 9 to 18 form an integral part of these financial statements.

Art Care Education

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

The funds breakdown for 2023 is shown in note 20.

The notes on pages 9 to 18 form an integral part of these financial statements.

Art Care Education
(Registration number: 09815245)
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	778	767
Current assets			
Stocks	14	3,500	1,500
Debtors	15	10,832	5,642
Cash at bank and in hand	16	8,408	6,595
		22,740	13,737
Creditors: Amounts falling due within one year	17	(8,550)	(3,914)
Net current assets		14,190	9,823
Net assets		14,968	10,590
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		14,968	10,590
Total funds	20	14,968	10,590

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

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 6 to 18 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
Mr Andrew Elfick
Chairman and trustee

The notes on pages 9 to 18 form an integral part of these financial statements.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The charity is limited by share capital, incorporated in Wales.

The address of its registered office is:

Walker House
Market Place
Somerton
Somerset
TA11 7LZ

[Authorised for issue date](#)

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

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

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

- (i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
- (ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
- (iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

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

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Legacies	30,411	30,411
Gift aid reclaimed	1,598	1,598
Grants, including capital grants;		
Government grants	3,000	3,000
Regular giving and capital donations	112,658	112,658
Total for 2024	<u>147,667</u>	<u>147,667</u>
Total for 2023	<u>143,653</u>	<u>143,653</u>

4 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	40	40
Total for 2024	<u>40</u>	<u>40</u>
Total for 2023	<u>51</u>	<u>51</u>

5 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds General £	Total funds £
Costs of goods sold	70,176	70,176
Total for 2024	<u>70,176</u>	<u>70,176</u>
Total for 2023	<u>73,627</u>	<u>73,627</u>

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

			Total costs £
6 Expenditure on charitable activities			
	Note	Unrestricted funds General £	Total funds £
Governance costs	7	27,868	27,868
Total for 2023		42,030	42,030
			Total expenditure £

In addition to the expenditure analysed above, there are also governance costs of £27,868 (2023 - £42,030) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Staff costs		
Pension costs	1,569	1,569
Audit fees		
Other fees paid to auditors	1,699	1,699
Marketing and publicity	2,627	2,627
Depreciation, amortisation and other similar costs	288	288
Other governance costs	21,685	21,685
Total for 2024	<u>27,868</u>	<u>27,868</u>
Total for 2023	<u>42,030</u>	<u>42,030</u>

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

8 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2024 £	2023 £
Depreciation of fixed assets	288	298

9 Trustees remuneration and expenses

10 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	52,303	56,984
Pension costs	1,569	1,300
Other staff costs	-	255
	53,872	58,539

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

11 Auditors' remuneration

	2024 £	2023 £
Other fees to auditors		
The auditing of accounts of any associate of the charity	1,699	1,153

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2023	3,618	3,618
Additions	300	300
At 31 March 2024	3,918	3,918
Depreciation		
At 1 April 2023	3,140	3,140
At 31 March 2024	3,140	3,140
Net book value		
At 31 March 2024	778	778
At 31 March 2023	478	478

14 Stock

	2024 £	2023 £
Stocks	3,500	1,500

15 Debtors

	2024 £	2023 £
Trade debtors	3,814	2,455
Other debtors	7,018	3,187
	10,832	5,642

16 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	372	103
Cash at bank	2,003	6,491
Short-term deposits	6,033	1
	8,408	6,595

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

17 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	7,005	2,467
Other taxation and social security	428	541
Other creditors	300	321
Accruals	817	585
	<u>8,550</u>	<u>3,914</u>

18 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £1,569 (2023 - £1,300).

19 Share capital

20 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £
Unrestricted funds				
General	<u>10,590</u>	<u>154,725</u>	<u>(150,347)</u>	<u>14,968</u>
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
General	<u>35,891</u>	<u>147,340</u>	<u>(172,641)</u>	<u>10,590</u>

21 Analysis of net assets between funds

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2024

	Unrestricted funds General £	Total funds at 31 March 2024 £
Tangible fixed assets	778	778
Current assets	22,740	22,740
Current liabilities	(8,550)	(8,550)
Total net assets	<u>14,968</u>	<u>14,968</u>
	Unrestricted funds General £	Total funds at 31 March 2023 £
Tangible fixed assets	767	767
Current assets	13,737	13,737
Current liabilities	(3,914)	(3,914)
Total net assets	<u>10,590</u>	<u>10,590</u>

22 Analysis of net funds

	At 1 April 2023 £	At 31 March 2024 £
Cash at bank and in hand	<u>6,595</u>	<u>6,595</u>
Net debt	<u>6,595</u>	<u>6,595</u>
	At 1 April 2022 £	At 31 March 2023 £
Cash at bank and in hand	<u>31,231</u>	<u>31,231</u>
Net debt	<u>31,231</u>	<u>31,231</u>

Art Care Education

Statement of Financial Activities by fund for the Year Ended 31 March 2024

Unrestricted Funds

	Total Unrestricted Funds 2024 £	Total Unrestricted Funds 2023 £
Income and Endowments from:		
Donations and legacies	147,667	143,653
Investment income	40	51
Other income	7,018	3,636
Total income	<u>154,725</u>	<u>147,340</u>
Expenditure on:		
Raising funds	(122,479)	(130,611)
Charitable activities	<u>(27,868)</u>	<u>(42,030)</u>
Total expenditure	<u>(150,347)</u>	<u>(172,641)</u>
Net income/(expenditure)	<u>4,378</u>	<u>(25,301)</u>
Net movement in funds	4,378	(25,301)
Reconciliation of funds		
Total funds brought forward	<u>10,590</u>	<u>35,891</u>
Total funds carried forward	<u><u>14,968</u></u>	<u><u>10,590</u></u>

Art Care Education

Detailed Statement of Financial Activities for the Year Ended 31 March 2024

	Total 2024 £	Total 2023 £
Income and Endowments from:		
Donations and legacies (analysed below)	147,667	143,653
Investment income (analysed below)	40	51
Other income (analysed below)	<u>7,018</u>	<u>3,636</u>
Total income	<u>154,725</u>	<u>147,340</u>
Expenditure on:		
Raising funds (analysed below)	(122,479)	(130,611)
Charitable activities (analysed below)	<u>(27,868)</u>	<u>(42,030)</u>
Total expenditure	<u>(150,347)</u>	<u>(172,641)</u>
Net income/(expenditure)	<u>4,378</u>	<u>(25,301)</u>
Net movement in funds	4,378	(25,301)
Reconciliation of funds		
Total funds brought forward	<u>10,590</u>	<u>35,891</u>
Total funds carried forward	<u><u>14,968</u></u>	<u><u>10,590</u></u>

Art Care Education

Detailed Statement of Financial Activities for the Year Ended 31 March 2024

	Total 2024 £	Total 2023 £
<i>Donations and legacies</i>		
Sales	112,658	101,798
Donations and legacies	30,411	32,619
Gift Aid tax reclaimed	1,598	1,630
UK Government grants	3,000	1,606
Rent Donation	-	6,000
	<u>147,667</u>	<u>143,653</u>
<i>Investment income</i>		
Interest on cash deposits	40	51
	<u>40</u>	<u>51</u>
<i>Other income</i>		
Other income	7,018	3,636
	<u>7,018</u>	<u>3,636</u>
<i>Raising funds</i>		
Opening stock	(1,500)	(2,500)
Purchases	(6,174)	(8,813)
Direct costs	(61,366)	(63,259)
Closing stock	3,500	1,500
Wages and salaries	(52,303)	(56,984)
Subcontract cost	(4,636)	(555)
	<u>(122,479)</u>	<u>(130,611)</u>
<i>Charitable activities</i>		
Staff pensions (Defined contribution) - pension scheme 1	(1,569)	(1,300)
Staff training	-	(255)
Rent	(6,000)	(18,250)
Rates	-	(593)
Light, heat and power	(4,945)	(3,338)
Insurance	(1,051)	(2,212)
Repairs and maintenance	(691)	(2,132)
Equipment repairs and renewals	(860)	(263)
Telephone and fax	(839)	(883)
Computer software and maintenance costs	(2,107)	(2,164)
Printing, postage and stationery	(566)	(337)
Trade subscriptions	(607)	(570)
Charitable donations	-	(21)
Sundry expenses	(1,288)	(1,532)

This page does not form part of the statutory financial statements.

Art Care Education

Detailed Statement of Financial Activities for the Year Ended 31 March 2024

	Total 2024 £	Total 2023 £
Advertising	(2,627)	(4,171)
Accountancy fees	(1,699)	(1,153)
Card charges	(2,731)	(2,558)
Depreciation expense	<u>(288)</u>	<u>(298)</u>
	<u><u>(27,868)</u></u>	<u><u>(42,030)</u></u>