

ARTHOUSE UNLIMITED

England & Wales · Charity number 1177900

Details

Status Registered

Legal form CIO

Registered 2018-04-11

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

Contact

Address 96 High Street
Godalming
GU7 1DW

Phone 01483425273

Email INFO@ARTHOUSEUNLIMITED.ORG

Website www.arthouseunlimited.org

Activities

Objects: TO PROMOTE SOCIAL INCLUSION FOR THE PUBLIC BENEFIT BY PREVENTING PEOPLE FROM BECOMING SOCIALLY EXCLUDED AND RELIEVING THE NEEDS OF THOSE PEOPLE WHO ARE SOCIALLY EXCLUDED ASSISTING THEM TO INTEGRATE INTO SOCIETY AND ASSISTING THEM IN FEELING ENGAGED VALUED AND PURPOSEFUL. FOR THE PURPOSE OF THIS CLAUSE ÔSOCIALLY EXCLUDEDÖ MEANS BEING EXCLUDED FROM SOCIETY OR PARTS OF SOCIETY AS A RESULT OF LEARNING DISABILITIES, SPECIAL NEEDS, PHYSICAL OR EMOTIONAL CHALLENGES OR DISADVANTAGE AND/OR POOR EDUCATIONAL SKILL ATTAINMENT OR ILL HEALTH FOCUSING ON A TEMPORARY CONDITION AS WELL AS PERMANENT.

Activities: ARTHOUSE Unlimited represents a collective of artists living with complex neuro diverse and physical support needs. The artists' work with instructors creating art that is developed into designer products for sale. By offering a sense of purpose and believing that feeling respected improves health, happiness and well-being , we strive to challenge perceptions and create acceptance and inclusion.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, Disability, Arts/culture/heritage/science, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** People With Disabilities

Geography

- Surrey

Finances

Period end	Income	Expenditure	Assets	Employees
2025-05-31	£1,218,933	£1,389,091	£170,073	17
2024-05-31	£1,434,895	£1,355,854	£341,742	16
2023-05-31	£1,282,721	£1,239,467	£262,701	18
2022-05-31	£1,304,373	£1,239,790	£219,447	27
2021-05-31	£988,407	£941,451	£154,865	23

Trustees

Name	Role	Appointed
David Charles Jukes	Chair	2023-09-21
Andrew Martin Skilton		2026-04-22
Ian Stokes		2024-02-15
Jason McEachran		2024-09-13

ARTHOUSE UNLIMITED

England & Wales - Charity number 1177900

Accounts

Report of the Trustees and
Audited Financial Statements
for the Year Ended 31 May 2025
for
ARTHOUSE Unlimited

Bennewith 2018 Limited (Statutory Auditors)
Upper Ground Floor
18 Farnham Road
Guildford
Surrey
GU1 4XA

Contents of the Financial Statements
for the Year Ended 31 May 2025

	Page
Report of the Trustees	1 to 3
Report of the Independent Auditors	4 to 6
Statement of Financial Activities	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11 to 21
Detailed Statement of Financial Activities	22 to 23

Report of the Trustees
for the Year Ended 31 May 2025

The trustees present their report with the financial statements of the charity for the year ended 31 May 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

ARTHOUSE Unlimited continues to champion the artistic talents and skills of adults living with diverse learning and physical support needs. The charity exists to support each individual to create, collaborate, and build confidence, pride and purpose through art, as well as interacting with the wider community, with a clear focus on wellbeing, inclusion and dignity.

The main objective of the charity is to provide a safe, stimulating, and inclusive environment where the artists can develop their skills and see their work recognised in commercial and accessible settings. This creates public benefit by increasing social inclusion and challenging perceptions of neurodiverse and physically disabled adults.

ACHIEVEMENTS AND PERFORMANCE

The studio in Godalming remains at the heart of our work. During the year, over 3,600 individual sessions were delivered across six days a week, with two sessions per day. Three art instructors and trained inclusion officers provided high levels of support, enabling the artists to develop their creative work, created by the long standing instructor lead, emotional resilience, and social engagement.

The work of the artists continues to be recognised nationally, with collaborations and licensing partnerships with brands including Boots, the V&A, Lush and Hush Puppies. Over 500 retailers now sell products developed with the artists' work, expanding reach across the UK and overseas.

Projects with partner organisations, such as Mencap Newbury, enable the charity to extend its support to more individuals and foster social and creative engagement. These collaborations reinforce the charity's public benefit by providing meaningful opportunities for each artist to be seen, heard, and valued in wider society.

Creative Reach

Creative reach continues to grow in exciting ways.

ARTHOUSE Unlimited is currently working with Sixteen South and Adam Long to produce a seven-minute animated film, funded by the BFI, led by the CEO/Art Director alongside the Instruction Lead. This project reflects a powerful step in sharing the voices, imagination, and presence of the artists with wider audiences in a new and lasting form.

Alongside this, each artist is being represented through developmental film recordings of their creative work, created by the long-standing instructor lead. These films allow each individual to speak directly to the public about who they are and what they create. In turn, the public is invited to look more closely, listen more openly, and consider how greater inclusion can live within their own communities and daily lives.

We continue to fundraise to support placements, working closely with families who experience deep pride and reassurance in seeing their relative recognised, visible and celebrated in high-profile and meaningful settings. This shared pride strengthens confidence for the artist, connection for the family, and understanding for the wider world.

FINANCIAL REVIEW

The financial year was challenging due to the economic climate. Income from consumer sales remained steady, while costs were impacted by staffing changes. The charity deliberately focused on a smaller, more dynamic team, which proved more cost-effective than previous outsourced arrangements.

Despite reduced overall donations, we maintained subsidised sessions for artists, ensuring continuity of support. Licensing income was slightly lower than the prior year, reflecting the absence of exceptional receipts from the previous period. Cash holdings reduced as expenses exceeded income, but the organisation continues to manage costs efficiently, focusing on charitable purposes.

At 31 May 2025, the Charity had £170k of reserves of which £28k were restricted as per note 20.

Report of the Trustees
for the Year Ended 31 May 2025

FUTURE PLANS

The charity will continue to grow partnerships with aligned organisations, extending reach and impact across products and platforms. Strategic licensing deals will contribute to long-term sustainability and increased brand recognition, while keeping the artists central to growth.

Plans include strengthening the high street shop volunteer artist programme and introducing a more structured pathway of achievement and recognised outcomes for artists developing recorded creative skills. This model is intended to provide up to twelve supported individual sessions each week, overseen by inclusion leadership and supported by trained volunteers, enabling clearer progression while maintaining personalised care.

Conclusion

ARTHOUSE Unlimited remains committed to supporting each artist to create, collaborate, and thrive. Through sustained engagement with the community, partnerships, and creative initiatives, the charity continues to demonstrate public benefit, social impact, and long-term sustainability.

Tribute to Colin Stokes MBE chair of Trustees

This year is marked with deep sadness following the passing of Colin Stokes on Thursday 5 February 2026. Colin brought extraordinary insight, generosity, and wisdom to everything he did. He had a rare ability to combine business acumen with compassion, always seeing the potential in people and the value in ideas. His leadership was steady, inspiring, and far-reaching, and he dedicated himself to creating an organisation that could securely offer a space for each artist to thrive.

Colin brought exceptional business clarity and generosity of spirit. He understood both the vulnerability of exclusion and the transformative power of belonging, dedicating himself to ensuring the charity would endure with strength and integrity.

His leadership galvanised people, created stability, and laid the foundations that now hold the organisation securely. While his loss is profoundly felt, the charity continues in safe and committed hands, guided by a strong team and trustees devoted to safeguarding inclusion, dignity, and opportunity for every artist. His legacy lives on in the daily life of the studio and the continued drive for sustainability, offering each artist opportunity and inclusion for a long time to come.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Trustees remain closely involved in all aspects of the charity. During the year, Jason McEachran joined the Board of Trustees, while Zoe Marsden departed. The charity continues to have a strong, dedicated team of employees and volunteers, ensuring that sessions and creative development for the artists continue successfully.

Trustees provide oversight of strategy, safeguarding, inclusion, and financial management, ensuring the charity continues to operate sustainably and in line with its objectives.

Recruitment of Trustees is subject to appropriate vetting procedures including Disclosure and Barring Service checks. There is no specific policy regarding the training but trustees are guided to read the Government website information.

There is no specific policy for setting the pay and remuneration of the charity's key management personnel except that the trustees approve the pay.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1177900

Report of the Trustees
for the Year Ended 31 May 2025

Principal address

96 High Street
Godalming
Surrey
GU7 1DW

Trustees

Dr Colin Stokes MBE (deceased 5.2.26)
Anna Coss
Zoe Alice Marsden (resigned 3.1.25)
David Charles Jukes Interim Chair of Trustees
Ian Stokes
Jason McEachran (appointed 13.9.24)

Auditors

Bennewith 2018 Limited (Statutory Auditors)
Upper Ground Floor
18 Farnham Road
Guildford
Surrey
GU1 4XA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

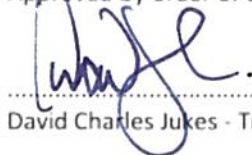
Charity law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and The Charity (Accounts and Reports) Regulations 2008. 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.

Approved by order of the board of trustees on 25.3.26. and signed on its behalf by:


.....
David Charles Jukes - Trustee

Report of the Independent Auditors to the Trustees of
ARTHOUSE Unlimited

Opinion

We have audited the financial statements of ARTHOUSE Unlimited (the 'charity') for the year ended 31 May 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (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 May 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of 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 Auditors' 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
ARTHOUSE Unlimited

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined the most significant are those that relate to Charities SORP (FRS 102), pension laws and regulations and tax regulations.

We assessed the risks of material misstatement in respect of fraud as follows:

- Enquiries made of management and those charged with governance as well as the service organisation in relation to payroll services
- Analytical procedures were used to identify if there were any unusual or unexpected relationships
- Discussions with management to identify any fraud risk factors of related party relationships and transactions

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above.

Enquiries were made of management and those charged with governance. We corroborated our enquiries through the review of Board minutes and other papers provided. There was no contradictory evidence.

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries into our audit approach. We tested year end journals as well as journal entries throughout the year. There were no transactions identified outside the normal course of business.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud. We incorporated an element of unpredictability in the selection of the nature, timing, and extent of audit procedures.

Where transaction meeting risk criteria were identified, we carried out further work such as additional testing to source information.

In accordance with ISAs (UK), we exercised professional judgment and maintained professional scepticism throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of
ARTHOUSE Unlimited

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Bennewith 2018 Limited (Statutory Auditors)
Upper Ground Floor
18 Farnham Road
Guildford
Surrey
GU1 4XA

 & Co.

Date: 26 March 2016

**Statement of Financial Activities
for the Year Ended 31 May 2025**

		Unrestricted funds	Restricted funds	31.5.25 Total funds	31.5.24 Total funds as restated
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	40,411	-	40,411	123,566
Charitable activities	4				
Shop sales		42,978	-	42,978	43,458
Commissions		32,226	-	32,226	162,671
Online retail sales		161,064	-	161,064	124,931
Trade sales		822,707	-	822,707	822,890
Art sessions		69,862	-	69,862	97,255
Corporate gift sales		24,758	-	24,758	31,611
Original sales		21,702	-	21,702	24,330
Investment income	3	1,725	-	1,725	2,472
Other income		1,500	-	1,500	200
Total		1,218,933	-	1,218,933	1,433,384
EXPENDITURE ON					
Raising funds	5	8,074	-	8,074	18,939
Charitable activities	6				
Goods Purchased for Resale		565,454	-	565,454	576,952
Miscellaneous Purchases		-	-	-	7,990
Packaging and Carriage		62,804	-	62,804	9,055
Marketing and PR		59,711	-	59,711	52,603
Courier Fees		-	-	-	3,949
Package and Carriage - Trade Sales		-	-	-	49,998
Artist Materials		9,055	-	9,055	1,669
Fundraising expenses		776	-	776	-
Trade show costs		14,568	-	14,568	20,853
Commission on Sales		3,645	-	3,645	-
Other		665,004	-	665,004	613,846
Total		1,389,091	-	1,389,091	1,355,854
NET INCOME/(EXPENDITURE)		(170,158)	-	(170,158)	77,530
RECONCILIATION OF FUNDS					
Total funds brought forward		311,836	28,395	340,231	262,701
TOTAL FUNDS CARRIED FORWARD		141,678	28,395	170,073	340,231

The notes form part of these financial statements

Balance Sheet
31 May 2025

		Unrestricted funds	Restricted funds	31.5.25 Total funds	31.5.24 Total funds as restated
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	15	10,394	-	10,394	15,166
CURRENT ASSETS					
Stocks	16	105,389	-	105,389	113,463
Debtors: amounts falling due within one year	17	79,646	-	79,646	171,200
Cash at bank		89,084	28,395	117,479	231,405
		<u>274,119</u>	<u>28,395</u>	<u>302,514</u>	<u>516,068</u>
CREDITORS					
Amounts falling due within one year	18	(116,608)	-	(116,608)	(153,776)
NET CURRENT ASSETS		<u>157,511</u>	<u>28,395</u>	<u>185,906</u>	<u>362,292</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		167,905	28,395	196,300	377,458
CREDITORS					
Amounts falling due after more than one year	19	(26,227)	-	(26,227)	(37,227)
NET ASSETS		<u>141,678</u>	<u>28,395</u>	<u>170,073</u>	<u>340,231</u>
FUNDS	20				
Unrestricted funds				141,678	311,836
Restricted funds				<u>28,395</u>	<u>28,395</u>
TOTAL FUNDS				<u>170,073</u>	<u>340,231</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:


David Charles Jukes - Trustee

Cash Flow Statement
for the Year Ended 31 May 2025

		31.5.25	31.5.24 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	(111,468)	(17,655)
Net cash used in operating activities		(111,468)	(17,655)
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,958)	(3,797)
Sale of tangible fixed assets		1,500	200
Net cash used in investing activities		(2,458)	(3,597)
Change in cash and cash equivalents in the reporting period		(113,926)	(21,252)
Cash and cash equivalents at the beginning of the reporting period		231,405	252,657
Cash and cash equivalents at the end of the reporting period		117,479	231,405

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 May 2025

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES		
	31.5.25	31.5.24 as restated
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(170,158)	77,530
Adjustments for:		
Depreciation charges	8,730	5,805
Profit on disposal of fixed assets	(1,500)	(200)
Decrease in stocks	8,074	19,027
Decrease/(increase) in debtors	91,554	(56,144)
Decrease in creditors	(48,168)	(63,673)
Net cash used in operations	<u>(111,468)</u>	<u>(17,655)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.6.24 £	Cash flow £	At 31.5.25 £
Net cash			
Cash at bank	231,405	(113,926)	117,479
	<u>231,405</u>	<u>(113,926)</u>	<u>117,479</u>
Total	<u>231,405</u>	<u>(113,926)</u>	<u>117,479</u>

**Notes to the Financial Statements
for the Year Ended 31 May 2025**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

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

Legacies are accounted for when received.

The income from charitable activities is the amount derived from the provision of goods/services, and stated after trade discounts, other sales taxes and net of VAT.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office Equipment: 20% - 33.33% straight line

Furniture and Fixtures: 20% - 33.33% straight line

The above assets are initially measured at cost and subsequently at cost less any accumulated depreciation.

Stocks

Stock consists of goods for resale. Stocks are valued at the lower of cost and net realisable value.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

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

Notes to the Financial Statements - continued
for the Year Ended 31 May 2025

1. ACCOUNTING POLICIES - continued

Debtors

Grants receivable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount. Provisions have been calculated at the best estimate of the settlement amount and then discounted back to present value at the reporting date.

Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future (i.e. there are no material uncertainties about the charity's ability to continue). Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2. DONATIONS AND LEGACIES

	31.5.25	31.5.24 as restated
	£	£
Donations	37,615	71,508
Gift aid	2,796	-
Grants	-	52,058
	<u>40,411</u>	<u>123,566</u>

Grants received, included in the above, are as follows:

	31.5.25	31.5.24 as restated
	£	£
Reaching Comm	-	22,058
Garfield Weston	-	20,000
Childwick Trust	-	10,000
	<u>-</u>	<u>52,058</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2025

3. INVESTMENT INCOME

	31.5.25	31.5.24 as restated
	£	£
Investment income	1,725	2,472

4. INCOME FROM CHARITABLE ACTIVITIES

		31.5.25	31.5.24 as restated
	Activity	£	£
Charitable Activities	Shop sales	42,978	43,458
Charitable Activities	Commissions	32,226	162,671
Charitable Activities	Online retail sales	161,064	124,931
Charitable Activities	Trade sales	822,707	822,890
Charitable Activities	Art sessions	69,862	97,255
Charitable Activities	Corporate gift sales	24,758	31,611
Charitable Activities	Original sales	21,702	24,330
		<u>1,175,297</u>	<u>1,307,146</u>

5. RAISING FUNDS**Raising donations and legacies**

	31.5.25	31.5.24 as restated
	£	£
Support costs	-	180

Other trading activities

	31.5.25	31.5.24 as restated
	£	£
Opening stock	113,463	132,490
Closing stock	(105,389)	(113,463)
Support costs	-	(268)
	<u>8,074</u>	<u>18,759</u>
Aggregate amounts	<u>8,074</u>	<u>18,939</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2025

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Goods Purchased for Resale	565,454
Packaging and Carriage	62,804
Marketing and PR	59,711
Artist Materials	9,055
Fundraising expenses	776
Trade show costs	14,568
Commission on Sales	3,645
	<u>716,013</u>

7. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Other resources expended	<u>156,694</u>	<u>11,500</u>	<u>168,194</u>

Other resources expended are administrative expenses.

8. AUDITORS' REMUNERATION

	31.5.25 £	31.5.24 as restated £
Fees payable to the charity's auditors for the audit of the charity's financial statements	7,500	4,400
Auditors' remuneration for non audit work	<u>4,000</u>	<u>3,600</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 May 2025 nor for the year ended 31 May 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 May 2025 nor for the year ended 31 May 2024.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2025

10. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	417,817	382,811
Social security	31,091	33,497
Pension costs	20,284	20,632
Other staff costs	14,827	8,290
Total	484,019	445,230

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

	2025	2024
Staff	17	16

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	2024
£70,000 - £80,000	1	1

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	81,508	42,058	123,566
Charitable activities			
Shop sales	43,458	-	43,458
Commissions	162,671	-	162,671
Online retail sales	124,931	-	124,931
Trade sales	822,890	-	822,890
Art sessions	97,255	-	97,255
Corporate gift sales	31,611	-	31,611
Original sales	24,330	-	24,330
Investment income	2,472	-	2,472
Other income	200	-	200
Total	1,391,326	42,058	1,433,384
EXPENDITURE ON			
Raising funds	18,939	-	18,939
Charitable activities			
Goods Purchased for Resale	576,952	-	576,952
Miscellaneous Purchases	7,990	-	7,990
Packaging and Carriage	9,055	-	9,055
Marketing and PR	52,603	-	52,603
Courier Fees	3,949	-	3,949
Package and Carriage - Trade Sales	49,998	-	49,998

Notes to the Financial Statements - continued
for the Year Ended 31 May 2025

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
Artist Materials	1,669	-	1,669
Trade show costs	20,853	-	20,853
Other	584,973	28,873	613,846
Total	1,326,981	28,873	1,355,854
 NET INCOME	 64,345	 13,185	 77,530
 RECONCILIATION OF FUNDS			
Total funds brought forward	247,491	15,210	262,701
 TOTAL FUNDS CARRIED FORWARD	 311,836	 28,395	 340,231

12. PRIOR YEAR ADJUSTMENT

A prior year adjustment was put through to defer part of a commissions income based on the length of the agreement.

This decreased commissions income by £1,510 and increased deferred income by the same amount for the year ended 31 May 2024. For the year ended 31 May 2025, £1,250 deferred income was reversed to recognise the commission income for the year, decreasing the said deferred income to £260.

13. KEY MANAGEMENT

The total amount of employee benefits, being salary, social security, pension and benefits, received by its Key Management personnel was £84,113 (2024: £82,331).

14. FUTURE COMMITMENTS

At 31 May 2025, the Charity had annual commitments under operating leases as follows:

	96 High Street £	Vehicle £	Unit 2 Angel Court £	Total 2025 £	Total 2024 £
Within one year	35,000	3,684	13,000	51,684	51,637
Within 1-5 years	56,575	3,684	21,049	81,308	167,581
Total	91,575	7,368	34,049	132,992	219,218

The lease payments recognised as an expense were £51,267 (2024: £54,760).

Notes to the Financial Statements - continued
for the Year Ended 31 May 2025

15. TANGIBLE FIXED ASSETS

	Office Equipment £	Furniture and Fixtures £	Totals £
COST			
At 1 June 2024	39,332	8,457	47,789
Additions	3,958	-	3,958
At 31 May 2025	43,290	8,457	51,747
DEPRECIATION			
At 1 June 2024	25,093	7,530	32,623
Charge for year	7,988	742	8,730
At 31 May 2025	33,081	8,272	41,353
NET BOOK VALUE			
At 31 May 2025	10,209	185	10,394
At 31 May 2024	14,239	927	15,166

16. STOCKS

	31.5.25	31.5.24 as restated
	£	£
Goods held for resale	105,389	113,463

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.25	31.5.24 as restated
	£	£
Trade debtors	65,920	149,643
VAT	-	7,592
Prepayments and accrued income	13,726	13,965
	79,646	171,200

The provision for doubtful debts was reduced from £801 to £322 to write off the irrecoverable debts of £479.
No such changes for the year ended 31 May 2024.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2025

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.25	31.5.24 as restated
	£	£
Trade creditors	71,764	122,959
Social security and other taxes	6,577	4,473
VAT	10,474	-
Other creditors	-	3,963
Accruals and deferred income	27,793	22,381
	<u>116,608</u>	<u>153,776</u>

£18,593 (2024: £1,510) commissions income was deferred in line with the agreements. £1,250 of the deferred income in the previous year was now recognised.

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.5.25	31.5.24 as restated
	£	£
Other creditors	<u>26,227</u>	<u>37,227</u>

The amount is an unsecured, interest-free loan with no repayment terms from The Meath Epilepsy Charity. The charity is currently in negotiation with the creditor regarding the outstanding balance considering that the previous instalment was made in April 2025.

20. MOVEMENT IN FUNDS

	At 1.6.24 £	Net movement in funds £	At 31.5.25 £
Unrestricted funds			
General fund	311,836	(170,158)	141,678
Restricted funds			
Philip King Charitable Trust	8,395	-	8,395
Garfield Weston	20,000	-	20,000
	<u>28,395</u>	<u>-</u>	<u>28,395</u>
TOTAL FUNDS	<u>340,231</u>	<u>(170,158)</u>	<u>170,073</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,218,933	(1,389,091)	(170,158)
	<u>1,218,933</u>	<u>(1,389,091)</u>	<u>(170,158)</u>
TOTAL FUNDS	<u>1,218,933</u>	<u>(1,389,091)</u>	<u>(170,158)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2025

20. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1.6.23 £	Net movement in funds £	At 31.5.24 £
Unrestricted funds			
General fund	247,491	64,345	311,836
Restricted funds			
Wates foundation	2,710	(2,710)	-
Philip King CharitableTrust	12,500	(4,105)	8,395
Garfield Weston	-	20,000	20,000
	15,210	13,185	28,395
TOTAL FUNDS	262,701	77,530	340,231

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,391,326	(1,326,981)	64,345
Restricted funds			
Wates foundation	-	(2,710)	(2,710)
Philip King CharitableTrust	-	(4,105)	(4,105)
Reaching Community	22,058	(22,058)	-
Garfield Weston	20,000	-	20,000
	42,058	(28,873)	13,185
TOTAL FUNDS	1,433,384	(1,355,854)	77,530

Notes to the Financial Statements - continued
for the Year Ended 31 May 2025

20. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.6.23 £	Net movement in funds £	At 31.5.25 £
Unrestricted funds			
General fund	247,491	(105,813)	141,678
Restricted funds			
Wates foundation	2,710	(2,710)	-
Philip King CharitableTrust	12,500	(4,105)	8,395
Garfield Weston	-	20,000	20,000
	<u>15,210</u>	<u>13,185</u>	<u>28,395</u>
TOTAL FUNDS	<u>262,701</u>	<u>(92,628)</u>	<u>170,073</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,610,259	(2,716,072)	(105,813)
Restricted funds			
Wates foundation	-	(2,710)	(2,710)
Philip King CharitableTrust	-	(4,105)	(4,105)
Reaching Community	22,058	(22,058)	-
Garfield Weston	20,000	-	20,000
	<u>42,058</u>	<u>(28,873)</u>	<u>13,185</u>
TOTAL FUNDS	<u>2,652,317</u>	<u>(2,744,945)</u>	<u>(92,628)</u>

21. RELATED PARTY DISCLOSURES

£3,000 worth of artwork was commissioned (2024: 10,000 water bottles were sold) to Univar Solutions Inc where one of the trustees is a president and CEO. The total transaction including carriage comes to £3,102 (2024: £136,605) and was conducted at arm's length.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2025

22. ULTIMATE CONTROLLING PARTY

The Board of Trustees are considered to be the ultimate controlling party.

23. FUNDS

General Fund

The general fund is used for the day to day running of the Charity.

Wates Foundation

Received for the provision of support work training for the Art Instructors.

Philip King Charitable Trust

This fund is for renovating existing studio and shop space at 96 Angel Court. This includes flexible moveable fixtures that have longevity that can move with AHU if AHU moves one day.

Garfield Weston

This was a grant to provide funding for sessions.

Reaching Community

This is the final year of the National Lottery Grant to support salaries for inclusion staff to enable the expansion of Art sessions to Saturdays.

ARTHOUSE UNLIMITED

England & Wales - Charity number 1177900

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31 May 2024
for
ARTHOUSE Unlimited

Bennewith 2018 Limited (Statutory Auditors)
Upper Ground Floor
18 Farnham Road
Guildford
Surrey
GU1 4XA

Contents of the Financial Statements
for the Year Ended 31 May 2024

	Page
Chair's Report	1 to 2
Report of the Trustees	3 to 4
Report of the Independent Auditors	5 to 7
Statement of Financial Activities	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Cash Flow Statement	11
Notes to the Financial Statements	12 to 21
Detailed Statement of Financial Activities	22 to 23

**Chair's Report
for the Year Ended 31 May 2024**

The speed the years go past is difficult to believe. We have now competed 6 years as a charity that showcases the artistic talents and skills of adults who live with diverse learning and physical disabilities. The charity empowers individuals to create and collaborate, fostering a sense of value, respect and pride. By promoting inclusion and purpose, ARTHOUSE Unlimited believes in improving health and happiness. The charity depends on sales and donations to continue providing new and inclusive opportunities.

But high inflation and a weak high street has not made it any easier for us to succeed this year. As you will see from the financial results, we have managed to get an increase in income from our sales in total (through our High Street shop, trade customers and online customers). The Artists are delighted to see how positively their work is received in the marketplace around the country - and of course overseas as well.

The key to our charity is of course our studio and artists who come regularly. Over the last twelve months, the charity has continued to provide a high-level service supporting these individuals achieved with a dedicated team of staff and volunteers.

In our last report we outlined the change in the way our Artists had to pay for our service and that it might result in challenges for some families and individuals being able to continue to attend the sessions. We have been reassured that 80% of the individuals who attended sessions in the previous year have continued to attend. We also have new attendees all of whom are enjoying their experience - and this of course includes the support of our dedicated Art Instructors.

Both our inclusion officers are trained in the administration of emergency medication for those artists who have life threatening seizures as well as first aid and personal care for all. They additionally provide emotional support to all the artists daily with some artists requiring extremely high support.

We continue to deliver 70+ subsidised placements during the week consisting of art sessions, customer service roles as shop assistants and roles assisting with our online delivery team in our adjacent dispatch facility.

We employ 3 art instructors who lead the studio art sessions with the inclusion officers' supporting. This structure has enabled us to continue the fundamental work of the charity ensuring personal, emotional, physical and medical requirements are met in a safe and inclusive environment.

In October of 2023 we opened on Saturdays for the first time with an Art Instructor leading the morning and afternoon sessions and an Inclusion Officer supporting. Due to weekend commitments for many individuals, we implemented an "every other week" structure with two groups alternating each week. This provided the flexibility that families and individuals preferred and enabled the charity to work with more individuals. Our thanks to our generous supporters who funded this start up until it was self-funding.

We look forward to expanding Saturday's sessions further.

Annual Awards

We held our Annual Artists' Award Ceremony in December where each artist was recognised with a certificate of achievement and a party to celebrate. This was another joyful event and an opportunity for the staff, volunteers and parents to join with the artists to honour the individual and collective achievements the charity.

In the last year we have been able to show the artists' work on current and new products at two national trade shows -Top Drawer at Olympia and the other the International Food Fair at the Excel centre. Artists were able to visit and talk about their work.

ARTHOUSE Unlimited was chosen as the charity partner of the Affordable Art Fair in May in Hampstead London where we were able to exhibit a collection of artworks for sale, alongside prestigious galleries and artists. Several artists were able to attend the fair and to see their work on display.

As a result of all our business endeavours we have been able to reduce our long-term debt, and we are so pleased to pay back the Government Covid Loan thanks to a generous donor.

Chair's Report
for the Year Ended 31 May 2024

The future is looking strong, and we are entering our new year with great enthusiasm. We have a strong and dedicated team of employees who are the key to our success as a charity. Our leader - Becky Sheraidah FRSA- has been managing the charity since 2005 and we are grateful for her long term and successful artistic direction.

There have seen some major moves on the Trustee Board. We were sad to see Jonathan Pepper retire but he has, I am pleased to say, stayed on as a very active and valuable volunteer. Joanna Nagel also retired, she helped us to be so active in Art Shows in London amongst everything else she did for us. Also to retire after his 5-year contribution was Steve Longdon one of the key handlers of the separation from the Meath Epilepsy Charity. We are delighted that new Trustees have joined us:-David Jukes, Zoe Marsden, Jason McEachran and Ian Stokes. All bringing their special capability and knowledge with them to the Charity.

Dr Colin Stokes MBE
Chairman of Trustees

**Report of the Trustees
for the Year Ended 31 May 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1177900

Principal address

96 High Street
Godalming
Surrey
GU7 1DW

Trustees

Dr Colin Stokes MBE
Jonathan Pepper (resigned 23.7.23)
Anna Coss
Stephen Longdon (resigned 12.7.23)
Joanna Nagel (resigned 7.2.24)
Zoe Alice Marsden (appointed 19.3.24)
David Charles Jukes (appointed 21.9.23)
Ian Stokes (appointed 15.2.24)

Auditors

Bennewith 2018 Limited (Statutory Auditors)
Upper Ground Floor
18 Farnham Road
Guildford
Surrey
GU1 4XA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

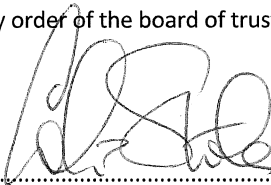
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed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

Report of the Trustees
for the Year Ended 31 May 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by order of the board of trustees on 3rd December 2024 and signed on its behalf by:



.....
Dr Colin Stokes MBE - Trustee

Report of the Independent Auditors to the Trustees of
ARTHOUSE Unlimited

Opinion

We have audited the financial statements of ARTHOUSE Unlimited (the 'charity') for the year ended 31 May 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (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 May 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of 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 Auditors' 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
ARTHOUSE Unlimited

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined the most significant are those that relate to FRS 102 Section 1A, pension laws and regulations and tax regulations.

We assessed the risks of material misstatement in respect of fraud as follows:

- Enquiries made of management and those charged with governance as well as the payroll services
- Analytical procedures were used to identify if there were any unusual or unexpected relationships
- Discussions with management to identify any fraud risk factors of related party relationships and transactions

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above.

Enquiries were made of management and those charged with governance. We corroborated our enquiries through the review of Board minutes and other papers provided. There was no contradictory evidence.

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries into our audit approach. We tested year end journals as well as journal entries throughout the year. There were no transactions identified outside the normal course of business.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud. We incorporated an element of unpredictability in the selection of the nature, timing, and extent of audit procedures.

Where transaction meeting risk criteria were identified, we carried out further work such as additional testing to source information.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of
ARTHOUSE Unlimited

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Bennewith 2018 Limited (Statutory Auditors)
Upper Ground Floor
18 Farnham Road
Guildford
Surrey
GU1 4XA

A handwritten signature in black ink, appearing to read 'Bennewith' followed by a stylized flourish and the letters 'JG'.

Date: 13 December 2024

**Statement of Financial Activities
for the Year Ended 31 May 2024**

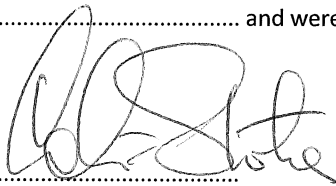
		Unrestricted funds £	Restricted funds £	31.5.24 Total funds £	31.5.23 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	81,508	42,058	123,566	125,366
Charitable activities	4				
Shop sales		43,459	-	43,459	40,237
Commissions		164,181	-	164,181	36,008
Online retail sales		124,931	-	124,931	126,412
Trade sales		822,890	-	822,890	824,676
Art sessions		97,255	-	97,255	97,430
Corporate gift sales		31,611	-	31,611	16,392
Original sales		24,330	-	24,330	15,604
Investment income	3	2,472	-	2,472	596
Other income		200	-	200	-
Total		1,392,837	42,058	1,434,895	1,282,721
EXPENDITURE ON					
Raising funds	5	18,939	-	18,939	18,354
Charitable activities	6				
Goods Purchased for Resale		576,952	-	576,952	524,160
Miscellaneous Purchases		7,990	-	7,990	4,353
Packaging and Carriage		9,055	-	9,055	17,636
Marketing and PR		52,603	-	52,603	14,192
Courier Fees		3,949	-	3,949	-
Package and Carriage - Trade Sales		49,998	-	49,998	53,078
Artist Materials		1,669	-	1,669	1,851
Fundraising expenses		-	-	-	417
Trade show costs		20,853	-	20,853	30,147
Other		584,973	28,873	613,846	575,279
Total		1,326,981	28,873	1,355,854	1,239,467
NET INCOME		65,856	13,185	79,041	43,254
RECONCILIATION OF FUNDS					
Total funds brought forward		247,491	15,210	262,701	219,447
TOTAL FUNDS CARRIED FORWARD		313,347	28,395	341,742	262,701

The notes form part of these financial statements

Balance Sheet
31 May 2024

	Notes	Unrestricted funds £	Restricted funds £	31.5.24 Total funds £	31.5.23 Total funds £
FIXED ASSETS					
Tangible assets	14	15,166	-	15,166	17,175
CURRENT ASSETS					
Stocks	15	113,463	-	113,463	132,490
Debtors: amounts falling due within one year	16	157,235	-	157,235	104,278
Prepayments and accrued income		13,965	-	13,965	10,777
Cash at bank		203,010	28,395	231,405	252,657
		<u>487,673</u>	<u>28,395</u>	<u>516,068</u>	<u>500,202</u>
CREDITORS					
Amounts falling due within one year	17	(152,265)	-	(152,265)	(155,467)
		<u>335,408</u>	<u>28,395</u>	<u>363,803</u>	<u>344,735</u>
NET CURRENT ASSETS					
		<u>335,408</u>	<u>28,395</u>	<u>363,803</u>	<u>344,735</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		350,574	28,395	378,969	361,910
CREDITORS					
Amounts falling due after more than one year	18	(37,227)	-	(37,227)	(99,209)
		<u>313,347</u>	<u>28,395</u>	<u>341,742</u>	<u>262,701</u>
NET ASSETS					
		<u>313,347</u>	<u>28,395</u>	<u>341,742</u>	<u>262,701</u>
FUNDS					
Unrestricted funds	19			313,347	247,491
Restricted funds				28,395	15,210
				<u>341,742</u>	<u>262,701</u>
TOTAL FUNDS					
				<u>341,742</u>	<u>262,701</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:



Dr Colin Stokes MBE - Trustee

**Cash Flow Statement
for the Year Ended 31 May 2024**

	Notes	31.5.24 £	31.5.23 £
Cash flows from operating activities			
Cash generated from operations	1	(17,655)	25,043
Net cash (used in)/provided by operating activities		(17,655)	25,043
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,797)	(3,736)
Sale of tangible fixed assets		200	6,797
Net cash (used in)/provided by investing activities		(3,597)	3,061
Change in cash and cash equivalents in the reporting period		(21,252)	28,104
Cash and cash equivalents at the beginning of the reporting period		252,657	224,553
Cash and cash equivalents at the end of the reporting period		231,405	252,657

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 May 2024**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.5.24	31.5.23
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	79,041	43,254
Adjustments for:		
Depreciation charges	5,805	5,844
Profit on disposal of fixed assets	(200)	-
Decrease in stocks	19,027	18,354
Increase in debtors	(56,144)	(42,959)
(Decrease)/increase in creditors	(65,184)	550
Net cash (used in)/provided by operations	<u>(17,655)</u>	<u>25,043</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.6.23	Cash flow	At 31.5.24
	£	£	£
Net cash			
Cash at bank	252,657	(21,252)	231,405
	<u>252,657</u>	<u>(21,252)</u>	<u>231,405</u>
Total	<u>252,657</u>	<u>(21,252)</u>	<u>231,405</u>

The notes form part of these financial statements

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

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

Legacies are accounted for when received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Stocks

Stock consists of good for resale. Stocks are valued at the lower of cost and net realisable value.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

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

Bounce back loan scheme

The Charity received Government support during the year ended 31.05.2021 in the form of the Bounce Back Loan Scheme. Some payments have been made in the current period and the remaining balance at the year end is £Nil. (2023: £43,981.52).

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

2. DONATIONS AND LEGACIES

	31.5.24	31.5.23
	£	£
Donations	71,508	124,018
Gift aid	-	1,348
Grants	52,058	-
	<u>123,566</u>	<u>125,366</u>

Grants received, included in the above, are as follows:

	31.5.24	31.5.23
	£	£
Reaching Comm	22,058	-
Garfield Weston	20,000	-
Childwick Trust	10,000	-
	<u>52,058</u>	<u>-</u>

3. INVESTMENT INCOME

	31.5.24	31.5.23
	£	£
Investment income	<u>2,472</u>	<u>596</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		31.5.24	31.5.23
	Activity	£	£
Charitable Activities	Shop sales	43,459	40,237
Charitable Activities	Commissions	164,181	36,008
Charitable Activities	Online retail sales	124,931	126,412
Charitable Activities	Trade sales	822,890	824,676
Charitable Activities	Art sessions	97,255	97,430
Charitable Activities	Corporate gift sales	31,611	16,392
Charitable Activities	Original sales	24,330	15,604
		<u>1,308,657</u>	<u>1,156,759</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

5. RAISING FUNDS**Raising donations and legacies**

	31.5.24	31.5.23
	£	£
Support costs	180	-
	<u>180</u>	<u>-</u>

Other trading activities

	31.5.24	31.5.23
	£	£
Opening stock	132,490	150,844
Closing stock	(113,463)	(132,490)
Support costs	(268)	-
	<u>18,759</u>	<u>18,354</u>

Aggregate amounts	<u>18,939</u>	<u>18,354</u>
-------------------	---------------	---------------

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Goods Purchased for Resale	576,952
Miscellaneous Purchases	7,990
Packaging and Carriage	9,055
Marketing and PR	52,603
Courier Fees	3,949
Package and Carriage - Trade Sales	49,998
Artist Materials	1,669
Trade show costs	20,853
	<u>723,069</u>

7. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Raising donations and legacies	180	-	180
Other trading activities	(268)	-	(268)
Other resources expended	137,211	8,000	145,211
	<u>137,123</u>	<u>8,000</u>	<u>145,123</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

8. AUDITORS' REMUNERATION

	31.5.24	31.5.23
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	4,400	4,400
Auditors' remuneration for non audit work	3,600	3,600
	<u> </u>	<u> </u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 May 2024 nor for the year ended 31 May 2023.

Trustees' expenses

During the year £Nil was reimbursed for expenses, £Nil in the previous year.

10. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	382,811	375,110
Social security	33,497	28,510
Pension costs	23,001	18,330
Other staff costs	5,745	3,354
	<u> </u>	<u> </u>
Total	457,121	425,305

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

	2024	2023
Staff	16	18

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£80,000 - £90,000	1	1

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	80,659	44,707	125,366
Charitable activities			
Shop sales	40,237	-	40,237
Commissions	36,008	-	36,008
Online retail sales	126,412	-	126,412
Trade sales	824,676	-	824,676
Art sessions	97,430	-	97,430
Corporate gift sales	16,392	-	16,392
Original sales	15,604	-	15,604

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Investment income	596	-	596
Total	1,238,014	44,707	1,282,721
EXPENDITURE ON			
Raising funds	18,354	-	18,354
Charitable activities			
Goods Purchased for Resale	524,160	-	524,160
Miscellaneous Purchases	4,353	-	4,353
Packaging and Carriage	17,636	-	17,636
Marketing and PR	14,192	-	14,192
Package and Carriage - Trade Sales	53,078	-	53,078
Artist Materials	1,851	-	1,851
Fundraising expenses	-	417	417
Trade show costs	30,147	-	30,147
Other	502,560	72,719	575,279
Total	1,166,331	73,136	1,239,467
NET INCOME/(EXPENDITURE)	71,683	(28,429)	43,254
RECONCILIATION OF FUNDS			
Total funds brought forward	175,808	43,639	219,447
TOTAL FUNDS CARRIED FORWARD	247,491	15,210	262,701

12. KEY MANAGEMENT

The total amount of employee benefits received by its Key Management personnel was £88,373 (2023: £59,365).

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

13. FUTURE COMMITMENTS

At 31 May 2024 the Charity had annual commitments under operating leases as follows:

	96 High Street £	Vehicle £	Unit 2 Angel Court £	Total 2024 £	Total 2023 £
Within one year	35,000	3,637	13,000	51,637	38,637
Within 2-5 years	126,863	6,668	34,049	167,581	172,168
More than 5 years	-	-	-	-	-
Total	161,863	10,305	47,049	219,218	210,805

14. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 June 2023	37,435	8,457	45,892
Additions	3,797	-	3,797
Disposals	(1,900)	-	(1,900)
At 31 May 2024	39,332	8,457	47,789
DEPRECIATION			
At 1 June 2023	22,511	6,206	28,717
Charge for year	4,482	1,324	5,806
Eliminated on disposal	(1,900)	-	(1,900)
At 31 May 2024	25,093	7,530	32,623
NET BOOK VALUE			
At 31 May 2024	14,239	927	15,166
At 31 May 2023	14,924	2,251	17,175

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Furniture, fittings and office equipment

20%-33.3% straight line

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

15. STOCKS		31.5.24	31.5.23
		£	£
Goods held for resale		113,463	132,490
		<u> </u>	<u> </u>
16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		31.5.24	31.5.23
		£	£
Trade debtors		149,643	104,278
VAT		7,592	-
		<u> </u>	<u> </u>
		157,235	104,278
		<u> </u>	<u> </u>
17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		31.5.24	31.5.23
		£	£
Trade creditors		122,958	38,630
Taxation and social security		4,473	19,592
Other creditors		24,834	97,245
		<u> </u>	<u> </u>
		152,265	155,467
		<u> </u>	<u> </u>
18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		31.5.24	31.5.23
		£	£
Other creditors		37,227	99,209
		<u> </u>	<u> </u>
19. MOVEMENT IN FUNDS			
		Net	
	At 1.6.23	movement	At
	£	in funds	31.5.24
		£	£
Unrestricted funds			
General fund	247,491	65,856	313,347
Restricted funds			
Wates foundation	2,710	(2,710)	-
Philip King Charitable Trust	12,500	(4,105)	8,395
Garfield Weston	-	20,000	20,000
	<u> </u>	<u> </u>	<u> </u>
	15,210	13,185	28,395
TOTAL FUNDS	<u> </u>	<u> </u>	<u> </u>
	262,701	79,041	341,742
	<u> </u>	<u> </u>	<u> </u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

19. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,392,837	(1,326,981)	65,856
Restricted funds			
Wates foundation	-	(2,710)	(2,710)
Philip King CharitableTrust	-	(4,105)	(4,105)
Reaching Community	22,058	(22,058)	-
Garfield Weston	20,000	-	20,000
	<u>42,058</u>	<u>(28,873)</u>	<u>13,185</u>
TOTAL FUNDS	<u>1,434,895</u>	<u>(1,355,854)</u>	<u>79,041</u>

Comparatives for movement in funds

	At 1.6.22 £	Net movement in funds £	At 31.5.23 £
Unrestricted funds			
General fund	175,808	71,683	247,491
Restricted funds			
Awards for all	4,722	(4,722)	-
Fundraising	417	(417)	-
Artist fund	1,500	(1,500)	-
Big Issue	31,000	(31,000)	-
Wates foundation	6,000	(3,290)	2,710
Philip King CharitableTrust	-	12,500	12,500
	<u>43,639</u>	<u>(28,429)</u>	<u>15,210</u>
TOTAL FUNDS	<u>219,447</u>	<u>43,254</u>	<u>262,701</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

19. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,238,014	(1,166,331)	71,683
Restricted funds			
Awards for all	-	(4,722)	(4,722)
Fundraising	-	(417)	(417)
The National Lottery Community Fund	32,207	(32,207)	-
Artist fund	-	(1,500)	(1,500)
Big Issue	-	(31,000)	(31,000)
Wates foundation	-	(3,290)	(3,290)
Philip King CharitableTrust	12,500	-	12,500
	<u>44,707</u>	<u>(73,136)</u>	<u>(28,429)</u>
TOTAL FUNDS	<u>1,282,721</u>	<u>(1,239,467)</u>	<u>43,254</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.6.22 £	Net movement in funds £	At 31.5.24 £
Unrestricted funds			
General fund	175,808	137,539	313,347
Restricted funds			
Awards for all	4,722	(4,722)	-
Fundraising	417	(417)	-
Artist fund	1,500	(1,500)	-
Big Issue	31,000	(31,000)	-
Wates foundation	6,000	(6,000)	-
Philip King CharitableTrust	-	8,395	8,395
Garfield Weston	-	20,000	20,000
	<u>43,639</u>	<u>(15,244)</u>	<u>28,395</u>
TOTAL FUNDS	<u>219,447</u>	<u>122,295</u>	<u>341,742</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,630,851	(2,493,312)	137,539
Restricted funds			
Awards for all	-	(4,722)	(4,722)
Fundraising	-	(417)	(417)
The National Lottery Community Fund	32,207	(32,207)	-
Artist fund	-	(1,500)	(1,500)
Big Issue	-	(31,000)	(31,000)
Wates foundation	-	(6,000)	(6,000)
Philip King Charitable Trust	12,500	(4,105)	8,395
Reaching Community	22,058	(22,058)	-
Garfield Weston	20,000	-	20,000
	<u>86,765</u>	<u>(102,009)</u>	<u>(15,244)</u>
TOTAL FUNDS	<u>2,717,616</u>	<u>(2,595,321)</u>	<u>122,295</u>

20. RELATED PARTY DISCLOSURES

10,000 (2023: NIL) water bottles were sold to Univar Solutions Inc where one of the trustees is a president and CEO. The total transaction including carriage comes to £136,605 (2023: NIL) and was conducted at arm's length.

21. ULTIMATE CONTROLLING PARTY

The Board of Trustees are considered to be the ultimate controlling party.

22. FUNDS**General Fund**

The general fund is used for the day to day running of the Charity.

Wates Foundation

Received for the provision of support work training for the Art Instructors.

Philip King Charitable Trust

This fund is for renovating existing studio and shop space at 96 Angel Court. This includes flexible moveable fixtures that have longevity that can move with AHU if AHU moves one day.

Garfield Weston

This was a grant to provide funding for sessions.

Reaching Community

This is the final year of the National Lottery Grant to support salaries for inclusion staff to enable the expansion of Art sessions to Saturdays.

**Detailed Statement of Financial Activities
for the Year Ended 31 May 2024**

	31.5.24 £	31.5.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	71,508	124,018
Gift aid	-	1,348
Grants	52,058	-
	123,566	125,366
Investment income		
Investment income	2,472	596
Charitable activities		
Charitable Activities	1,308,657	1,156,759
Other income		
Gain on sale of tangible fixed assets	200	-
	1,434,895	1,282,721
Total incoming resources		
EXPENDITURE		
Other trading activities		
Opening stock	132,490	150,844
Closing stock	(113,463)	(132,490)
	19,027	18,354
Charitable activities		
Marketing and PR	42,926	14,609
Artist materials	1,669	1,851
Goods purchased for sale	576,952	518,858
Carriage/courier	3,949	12,656
Packaging and carriage	59,053	63,360
Miscellaneous purchases	7,990	4,353
Trade show costs	20,853	30,147
Design	9,677	-
	723,069	645,834
Other		
Wages	382,811	427,837
Social security	33,497	-
Pensions	20,632	-
Bank charges	3,547	4,881
Professional fees	13,496	13,392
Carried forward	453,983	446,110

This page does not form part of the statutory financial statements

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

	31.5.24 £	31.5.23 £
Other		
Brought forward	453,983	446,110
Other staff costs	8,290	-
Loan interest	557	-
Depreciation of tangible fixed assets	5,805	5,844
	468,635	451,954
Support costs		
Other		
Insurance	4,865	864
Light and heat	12,352	5,552
Telephone	29,294	28,631
Sundries	8,861	13,103
Rent and rates	51,442	50,954
Travelling	7,949	9,416
Printing and stationery	4,375	(25)
Maintenance, equipment hire and rental	17,985	6,830
	137,123	115,325
Governance costs		
Auditors' remuneration	4,400	4,400
Auditors' remuneration for non audit work	3,600	3,600
	8,000	8,000
Total resources expended	1,355,854	1,239,467
Net income	79,041	43,254

ARTHOUSE UNLIMITED

England & Wales - Charity number 1177900

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31 May 2023
for
ARTHOUSE Unlimited

Bennewith 2018 Limited (Statutory Auditors)
3 Wey Court
Mary Road
Guildford
Surrey
GU1 4QU

Contents of the Financial Statements
for the Year Ended 31 May 2023

	Page
Chair's Report	1
Report of the Trustees	2 to 3
Report of the Independent Auditors	4 to 6
Statement of Financial Activities	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11 to 20
Detailed Statement of Financial Activities	21 to 22

Chair's Report
for the Year Ended 31 May 2023

This was our 5th Year of operation since we became a newly formed charity .

It has been another year affected by Covid and our focus has been on surviving and thriving at the same time. Our thanks go to all our Artists, Staff, and Volunteers, who have made such a contribution to the charity's development in very difficult times. We are offering over 80 placements a week (3840 a year) and are actively looking to ways to extend this number. The demand is there.

Above all we are grateful to all the customers who buy our products and help to spread the word about the Artists work and their capability.

The intervention of Covid meant that the Artists were cut off from the studio and we were working remotely with them. The result for this trading year was a shortage of originals, a delay in new products being developed and our ranges being updated.

This in turn affected the level of sales so instead of the steady growth we have achieved over many years this was a year where we achieved parity with the year before. In the end we looked at the results in detail and were happy with all we had achieved. We have continued to reduce our long term loans and plan to repay them in full in the next 2 years.

We enter this year in the middle of another "crisis - "the cost of living" with concern as to the strength of the High Street. But this year we have a strong portfolio of products and much in the pipeline to give us optimism. Last year we attended our usual 2 London trade exhibitions, and both were a success.

During the year we had a strong cost saving exercise. This was driven by a concern that if the sales had not held up then we needed to be able to withstand the pressures that were created. This was a successful programme and has set us off in a very positive frame of mind for the coming year.

We continue to work with Mencap in Newbury who are our partner that ships out all our customer orders. We are really pleased that this partnership has flourished as it helps them in their programme of support for the beneficiaries that they work with which totals over 60 individuals.

We are very grateful to all those individuals and grant giving foundations who have continued to support us in our endeavours and have made it possible to get through what has been a very tough period for everyone.

The annual party was held last year and if ever we need stimulating it is to see each Artist receive their individual certificate of achievement and their huge emotion at having been part of such a successful charity. Truly we achieve real inclusion in society every day for those whose lives are otherwise restricted.

Dr Colin Stokes MBE
Chair of Trustees

Report of the Trustees
for the Year Ended 31 May 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1177900

Principal address

96 High Street
Godalming
Surrey
GU7 1DW

Trustees

Dr Colin Stokes MBE
Jonathan Pepper
Anna Cross
Stephen Longdon
Joanna Nagel

Auditors

Bennewith 2018 Limited (Statutory Auditors)
3 Wey Court
Mary Road
Guildford
Surrey
GU1 4QU

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

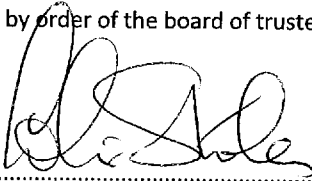
The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Report of the Trustees
for the Year Ended 31 May 2023

Approved by order of the board of trustees on 8.12.23..... and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Colin Stokes', written over a dotted line.

.....
Dr Colin Stokes MBE - Trustee

Report of the Independent Auditors to the Trustees of
ARTHOUSE Unlimited

Opinion

We have audited the financial statements of ARTHOUSE Unlimited (the 'charity') for the year ended 31 May 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (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 May 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of 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 Auditors' 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
ARTHOUSE Unlimited

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined the most significant are those that relate to FRS 102 Section 1A, pension laws and regulations and tax regulations.

We assessed the risks of material misstatement in respect of fraud as follows:

- Enquiries made of management and those charged with governance as well as the payroll services
- Analytical procedures were used to identify if there were any unusual or unexpected relationships
- Discussions with management to identify any fraud risk factors of related party relationships and transactions

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above.

Enquiries were made of management and those charged with governance. We corroborated our enquiries through the review of Board minutes and other papers provided. There was no contradictory evidence.

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries into our audit approach. We tested year end journals as well as journal entries throughout the year. There were no transactions identified outside the normal course of business.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud. We incorporated an element of unpredictability in the selection of the nature, timing, and extent of audit procedures.

Where transaction meeting risk criteria were identified, we carried out further work such as additional testing to source information.

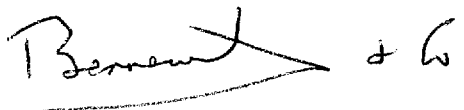
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of
ARTHOUSE Unlimited

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Bennewith 2018 Limited (Statutory Auditors)
3 Wey Court
Mary Road
Guildford
Surrey
GU1 4QU

 + G.

Date: 22 December 2023

Statement of Financial Activities
for the Year Ended 31 May 2023

		Unrestricted funds £	Restricted funds £	31.5.23 Total funds £	31.5.22 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	80,659	44,707	125,366	146,599
Charitable activities	4				
Shop sales		40,237	-	40,237	46,182
Commissions		36,008	-	36,008	20,615
Online retail sales		142,016	-	142,016	171,016
Trade sales		824,676	-	824,676	795,611
Art sessions		97,430	-	97,430	97,403
Corporate gift sales		16,392	-	16,392	26,933
Investment income	3	596	-	596	14
Total		1,238,014	44,707	1,282,721	1,304,373
EXPENDITURE ON					
Raising funds	5	18,354	-	18,354	(25,439)
Charitable activities	6				
Goods Purchased for Resale		524,160	-	524,160	566,854
Miscellaneous Purchases		4,353	-	4,353	3,001
Packaging and Carriage- Retail Sales		17,636	-	17,636	2,720
Marketing and PR		14,192	-	14,192	34,016
Courier Fees		-	-	-	5,702
Package and Carriage - Trade Sales		53,078	-	53,078	73,553
Artist Materials		1,851	-	1,851	1,664
Fundraising expenses		-	417	417	-
Trade show costs		30,147	-	30,147	-
Other		502,560	72,719	575,279	577,719
Total		1,166,331	73,136	1,239,467	1,239,790
NET INCOME/(EXPENDITURE)		71,683	(28,429)	43,254	64,583
RECONCILIATION OF FUNDS					
Total funds brought forward		175,808	43,639	219,447	154,864
TOTAL FUNDS CARRIED FORWARD		247,491	15,210	262,701	219,447

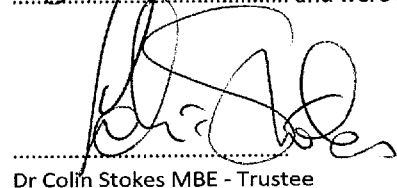
The notes form part of these financial statements

Balance Sheet

31 May 2023

	Notes	Unrestricted funds £	Restricted funds £	31.5.23 Total funds £	31.5.22 Total funds £
FIXED ASSETS					
Tangible assets	14	17,175	-	17,175	26,082
CURRENT ASSETS					
Stocks	15	132,490	-	132,490	150,844
Debtors: amounts falling due within one year	16	104,278	-	104,278	50,168
Prepayments and accrued income		10,777	-	10,777	21,926
Cash at bank		237,447	15,210	252,657	224,553
		<u>484,992</u>	<u>15,210</u>	<u>500,202</u>	<u>447,491</u>
CREDITORS					
Amounts falling due within one year	17	(155,467)	-	(155,467)	(84,732)
		<u>329,525</u>	<u>15,210</u>	<u>344,735</u>	<u>362,759</u>
NET CURRENT ASSETS					
		<u>346,700</u>	<u>15,210</u>	<u>361,910</u>	<u>388,841</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>346,700</u>	<u>15,210</u>	<u>361,910</u>	<u>388,841</u>
CREDITORS					
Amounts falling due after more than one year	18	(99,209)	-	(99,209)	(169,394)
		<u>247,491</u>	<u>15,210</u>	<u>262,701</u>	<u>219,447</u>
NET ASSETS					
		<u>247,491</u>	<u>15,210</u>	<u>262,701</u>	<u>219,447</u>
FUNDS	19				
Unrestricted funds				247,491	175,808
Restricted funds				15,210	43,639
TOTAL FUNDS				<u>262,701</u>	<u>219,447</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 8.12.23 and were signed on its behalf by:



Dr Colin Stokes MBE - Trustee

**Cash Flow Statement
for the Year Ended 31 May 2023**

	Notes	31.5.23 £	31.5.22 £
Cash flows from operating activities			
Cash generated from operations	1	25,043	68,953
Net cash provided by operating activities		25,043	68,953
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,736)	(21,216)
Sale of tangible fixed assets		6,797	-
Net cash provided by/(used in) investing activities		3,061	(21,216)
Change in cash and cash equivalents in the reporting period		28,104	47,737
Cash and cash equivalents at the beginning of the reporting period		224,553	176,816
Cash and cash equivalents at the end of the reporting period		252,657	224,553

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 May 2023**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.5.23	31.5.22
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	43,254	64,583
Adjustments for:		
Depreciation charges	5,844	10,686
Decrease/(increase) in stocks	18,354	(25,439)
Increase in debtors	(42,960)	(24,607)
Increase in creditors	551	43,730
Net cash provided by operations	<u>25,043</u>	<u>68,953</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.6.22	Cash flow	At 31.5.23
	£	£	£
Net cash			
Cash at bank	224,553	28,104	252,657
	224,553	28,104	252,657
Total	<u>224,553</u>	<u>28,104</u>	<u>252,657</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 May 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

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

Legacies are accounted for when received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Stocks

Stock consists of good for resale. Stocks are valued at the lower of cost and net realisable value.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

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

Bounce back loan scheme

The Charity received Government support during the year ended 31.05.2021 in the form of the Bounce Back Loan Scheme. Some payments have been made in the current period and the remaining balance at the year end is £43,981.52 (2022: £49,537.04).

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

2. DONATIONS AND LEGACIES

	31.5.23	31.5.22
	£	£
Donations	124,018	145,523
Gift aid	1,348	1,076
	<u>125,366</u>	<u>146,599</u>

3. INVESTMENT INCOME

	31.5.23	31.5.22
	£	£
Investment income	<u>596</u>	<u>14</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		31.5.23	31.5.22
	Activity	£	£
Charitable Activities	Shop sales	40,237	46,182
Charitable Activities	Commissions	36,008	20,615
Charitable Activities	Online retail sales	142,016	171,016
Charitable Activities	Trade sales	824,676	795,611
Charitable Activities	Art sessions	97,430	97,403
Charitable Activities	Corporate gift sales	16,392	26,933
		<u>1,156,759</u>	<u>1,157,760</u>

5. RAISING FUNDS

Other trading activities		31.5.23	31.5.22
		£	£
Opening stock		150,844	125,405
Closing stock		<u>(132,490)</u>	<u>(150,844)</u>
		<u>18,354</u>	<u>(25,439)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Goods Purchased for Resale	524,160
Miscellaneous Purchases	4,353
Packaging and Carriage- Retail Sales	17,636
Marketing and PR	14,192
Package and Carriage - Trade Sales	53,078
Artist Materials	1,851
Fundraising expenses	417
Trade show costs	30,147
	<u>645,834</u>

7. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Other resources expended	<u>115,325</u>	<u>8,000</u>	<u>123,325</u>

8. AUDITORS' REMUNERATION

	31.5.23 £	31.5.22 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	4,400	4,000
Auditors' remuneration for non audit work	<u>3,600</u>	<u>2,000</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 May 2023 nor for the year ended 31 May 2022.

Trustees' expenses

During the year £1,539 was reimbursed for expenses, £Nil in the previous year.

10. STAFF COSTS

	2022 £	2021 £
Wages and salaries	375,110	337,810
Social security	28,510	29,734
Pension costs	18,330	19,610
Other staff costs	3,354	3,070
Total	<u>425,305</u>	<u>390,224</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

10. STAFF COSTS - continued

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

	31.5.23	31.5.22
Staff	18	27

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	66,512	80,087	146,599
Charitable activities			
Shop sales	46,182	-	46,182
Commissions	20,615	-	20,615
Online retail sales	171,016	-	171,016
Trade sales	795,611	-	795,611
Art sessions	97,403	-	97,403
Corporate gift sales	26,933	-	26,933
Investment income	14	-	14
Total	<u>1,224,286</u>	<u>80,087</u>	<u>1,304,373</u>
EXPENDITURE ON			
Raising funds	(25,439)	-	(25,439)
Charitable activities			
Goods Purchased for Resale	566,854	-	566,854
Miscellaneous Purchases	3,001	-	3,001
Packaging and Carriage- Retail Sales	2,720	-	2,720
Marketing and PR	34,016	-	34,016
Courier Fees	5,702	-	5,702
Package and Carriage - Trade Sales	73,553	-	73,553
Artist Materials	1,252	412	1,664
Other	531,510	46,209	577,719
Total	<u>1,193,169</u>	<u>46,621</u>	<u>1,239,790</u>
NET INCOME	31,117	33,466	64,583
RECONCILIATION OF FUNDS			
Total funds brought forward	144,691	10,173	154,864
TOTAL FUNDS CARRIED FORWARD	<u><u>175,808</u></u>	<u><u>43,639</u></u>	<u><u>219,447</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

12. KEY MANAGEMENT

The total amount of employee benefits received by its Key Management personnel was £59,365.02 (2022: £54,591).

13. FUTURE COMMITMENTS

At 31 May 2022 the Charity had annual commitments under operating leases as follows:

	96 High Street £	Vehicle £	Total 2021 £	Total 2022 £
Within one year	35,000	3,637	38,637	35,000
Within 2-5 years	161,863	10,305	172,168	175,000
More than 5 years	-	-	-	21,863
Total	196,863	13,942	210,805	231,863

14. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 June 2022	6,800	46,298	8,457	61,555
Additions	-	3,736	-	3,736
Disposals	(6,800)	(12,599)	-	(19,399)
At 31 May 2023	-	37,435	8,457	45,892
DEPRECIATION				
At 1 June 2022	-	30,707	4,766	35,473
Charge for year	-	4,406	1,440	5,846
Eliminated on disposal	-	(12,602)	-	(12,602)
At 31 May 2023	-	22,511	6,206	28,717
NET BOOK VALUE				
At 31 May 2023	-	14,924	2,251	17,175
At 31 May 2022	6,800	15,591	3,691	26,082

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Furniture, fittings and office equipment

20%-33.3% straight line

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

15. STOCKS

	31.5.23	31.5.22
	£	£
Goods held for resale	132,490	150,844

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.23	31.5.22
	£	£
Trade debtors	104,278	50,168

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.23	31.5.22
	£	£
Trade creditors	38,630	25,461
Taxation and social security	19,592	23,924
Other creditors	97,245	35,347
	155,467	84,732

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.5.23	31.5.22
	£	£
Other creditors	99,209	169,394

19. MOVEMENT IN FUNDS

	At 1.6.22	Net movement in funds	At 31.5.23
	£	£	£
Unrestricted funds			
General fund	175,808	71,683	247,491
Restricted funds			
Awards for all	4,722	(4,722)	-
Fundraising	417	(417)	-
Artist fund	1,500	(1,500)	-
Big Issue	31,000	(31,000)	-
Wates foundation	6,000	(3,290)	2,710
Philip King Charitable Trust	-	12,500	12,500
	43,639	(28,429)	15,210
TOTAL FUNDS	219,447	43,254	262,701

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

19. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,238,014	(1,166,331)	71,683
Restricted funds			
Awards for all	-	(4,722)	(4,722)
Fundraising	-	(417)	(417)
The National Lottery Community Fund	32,207	(32,207)	-
Artist fund	-	(1,500)	(1,500)
Big Issue	-	(31,000)	(31,000)
Wates foundation	-	(3,290)	(3,290)
Philip King Charitable Trust	12,500	-	12,500
	<u>44,707</u>	<u>(73,136)</u>	<u>(28,429)</u>
TOTAL FUNDS	<u><u>1,282,721</u></u>	<u><u>(1,239,467)</u></u>	<u><u>43,254</u></u>

Comparatives for movement in funds

	At 1.6.21 £	Net movement in funds £	At 31.5.22 £
Unrestricted funds			
General fund	144,691	31,117	175,808
Restricted funds			
Awards for all	4,722	-	4,722
Fundraising	417	-	417
The National Lottery Community Fund	3,534	(3,534)	-
Artist fund	1,500	-	1,500
Big Issue	-	31,000	31,000
Wates foundation	-	6,000	6,000
	<u>10,173</u>	<u>33,466</u>	<u>43,639</u>
TOTAL FUNDS	<u><u>154,864</u></u>	<u><u>64,583</u></u>	<u><u>219,447</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

19. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,224,286	(1,193,169)	31,117
Restricted funds			
The National Lottery Community Fund	42,087	(45,621)	(3,534)
Big Issue	31,000	-	31,000
Wates foundation	7,000	(1,000)	6,000
	<u>80,087</u>	<u>(46,621)</u>	<u>33,466</u>
TOTAL FUNDS	<u>1,304,373</u>	<u>(1,239,790)</u>	<u>64,583</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.6.21 £	Net movement in funds £	At 31.5.23 £
Unrestricted funds			
General fund	144,691	102,800	247,491
Restricted funds			
Awards for all	4,722	(4,722)	-
Fundraising	417	(417)	-
The National Lottery Community Fund	3,534	(3,534)	-
Artist fund	1,500	(1,500)	-
Wates foundation	-	2,710	2,710
Philip King Charitable Trust	-	12,500	12,500
	<u>10,173</u>	<u>5,037</u>	<u>15,210</u>
TOTAL FUNDS	<u>154,864</u>	<u>107,837</u>	<u>262,701</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,462,300	(2,359,500)	102,800
Restricted funds			
Awards for all	-	(4,722)	(4,722)
Fundraising	-	(417)	(417)
The National Lottery Community Fund	74,294	(77,828)	(3,534)
Artist fund	-	(1,500)	(1,500)
Big Issue	31,000	(31,000)	-
Wates foundation	7,000	(4,290)	2,710
Philip King Charitable Trust	12,500	-	12,500
	<u>124,794</u>	<u>(119,757)</u>	<u>5,037</u>
TOTAL FUNDS	<u>2,587,094</u>	<u>(2,479,257)</u>	<u>107,837</u>

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 May 2023.

21. ULTIMATE CONTROLLING PARTY

The Board of Trustees are considered to be the ultimate controlling party.

22. FUNDS**General Fund**

The general fund is used for the day to day running of the Charity.

Awards for All

This fund is for the purpose of recruiting, supporting and training volunteers.

Fundraising

This fund is for the purpose of employing a fundraising consultant for 12 months.

The National Lottery Fund

This fund is to support the provision of art opportunities in Surrey communities, specifically for adults with a dual diagnosis of a complex learning disability and epilepsy.

Artist Fund

This fund is to enable provision of improved and bespoke sound, communication and IT equipment for use by the Artists to enhance the atmosphere and working environment of the studio.

Wates Foundation

Received for the provision of support work training for the Art Instructors

Big Issue Grant

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

22. FUNDS - continued

Funding provided for improvement of premises which can be moved in the future should ARTHOUSE Unlimited relocate.

**Detailed Statement of Financial Activities
for the Year Ended 31 May 2023**

	31.5.23 £	31.5.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	124,018	145,523
Gift aid	1,348	1,076
	125,366	146,599
Investment income		
Investment income	596	14
Charitable activities		
Charitable Activities	1,156,759	1,157,760
	1,282,721	1,304,373
Total incoming resources		
EXPENDITURE		
Other trading activities		
Opening stock	150,844	125,405
Closing stock	(132,490)	(150,844)
	18,354	(25,439)
Charitable activities		
Marketing and PR	14,609	34,016
Artist materials	1,851	1,664
Goods purchased for sale	518,858	566,854
Carriage/courier	12,656	5,702
Packaging and carriage	63,360	76,273
Miscellaneous purchases	4,353	3,001
Trade show costs	30,147	-
	645,834	687,510
Other		
Wages	427,837	375,111
Social security	-	28,510
Pensions	-	18,330
Bank charges	4,881	3,363
Professional fees	13,392	2,345
Bad debts	-	300
Other staff costs	-	3,354
Depreciation of tangible fixed assets	5,844	10,686
	451,954	441,999

This page does not form part of the statutory financial statements

Detailed Statement of Financial Activities
for the Year Ended 31 May 2023

	31.5.23 £	31.5.22 £
Support costs		
Other		
Insurance	864	-
Light and heat	5,552	5,849
Telephone	28,631	44,671
Sundries	13,103	12,033
Rent and rates	50,954	47,221
Travelling	9,416	7,619
Printing and stationery	(25)	6,616
Maintenance, equipment hire and rental	6,830	5,711
	115,325	129,720
Governance costs		
Auditors' remuneration	4,400	4,000
Auditors' remuneration for non audit work	3,600	2,000
	8,000	6,000
Total resources expended	1,239,467	1,239,790
Net income	43,254	64,583

ARTHOUSE UNLIMITED

England & Wales - Charity number 1177900

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31 May 2022
for
ARTHOUSE Unlimited

Bennewith 2018 Limited (Statutory Auditors)
3 Wey Court
Mary Road
Guildford
Surrey
GU1 4QU

Contents of the Financial Statements
for the Year Ended 31 May 2022

	Page
Chair's Report	1 to 2
Report of the Trustees	3 to 4
Report of the Independent Auditors	5 to 7
Statement of Financial Activities	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Cash Flow Statement	11
Notes to the Financial Statements	12 to 20
Detailed Statement of Financial Activities	21 to 22

Chair's Report
for the Year Ended 31 May 2022

This report covers our fourth year of operation as a stand-alone charity, and it has been another year of the most unusual circumstances in which the charity has managed to continue to thrive - just. Our thanks go to our artists, the staff, our wonderful volunteers and of course our customers and as well as the donors who support us.

The intervention of Covid meant disruption for the artists for a long period of time but they have been hugely resilient and back they came in full swing and with great enthusiasm. As a team we managed to keep in touch with them through all the Covid interruptions via interactive technology (thank you to Shanley Homes).

This year there was huge excitement when the Royal Academy selected three of our artist's pictures for their Summer Exhibition (held in the Autumn because of Covid), a real testimony to the determination of all the Artists and the quality of the art instructors. Our inclusion has been repeated again in 2022.

When we set the budgets for the year, we were not sure if shops would ever open routinely again, and if online sales would hold up, strengthen or collapse. The whole staff team led by our remarkable CEO Becky Sheridah FRSA set about working on being as flexible as possible to respond to each and every issue thrown at them.

The results contained in this report shows that all their hard work, flexibility, expertise and determination has paid off and we have continued to grow this year with turnover reaching £1.3m.

We were of course heavily impacted by Covid and one of the issues outside the studio has been our ability to introduce new products which are the life blood of our growing social enterprise. Existing suppliers, new suppliers, finishing designs with artists in the studio were all in a difficult position so the flow of new products slowed and with it our growth opportunity.

Add to this, a key plank of our social enterprise is selling to retail outlets and the exhibitions we usually attended were heavily disrupted. However, this turned out to be a huge area of success for us as we grew our reach into this sector.

The reason selling product is so important to us is that this is how the artists achieve the recognition in society that they deserve. More and more individuals around the country know of their work, their ability, their talent and they are being fully included and recognised on every item we sell. One key statistic that is so important is that 420,000 individual items of product have been sold across the UK in the past year, each telling the story of our artists and their creativity. This is an amazing statistic. In addition, we now have Holly Tucker MBE as a Patron so our reach has grown again.

Urban Outfitters have become a customer and join Lush, Heals and the Royal Academy amongst some of our better-known outlets. Overall, we have over 600 outlets in the UK selling our products. We are very grateful to every one of them and they are all part of our 'community' of supporters. On Instagram we have another 29,000 followers who know of us and support us.

We are now back up and running full speed and we have two new ranges prepared ready for launch in the early part of our fifth year (one of them a year late due to all the hold ups Covid created). So not only have we been outstandingly successful this year but looking ahead we see the opportunity to continue growing and expanding. We just hope that the new 'cost of living' issues that the UK is facing do not knock us off course.

Our loyal volunteers are now steadily returning, and we are still actively seeking new ones to join us. Last year we received and provided over 3400 hours of volunteering. Needless to say, the five trustees are all volunteers.

We have a very close relationship with Mencap Berkshire who do all our trade pick, pack and fulfilment. We are mutually supportive of each other's work and the positive affect on the 65 beneficiaries who are involved in Newbury. We have needed help from external donors, and we are so very grateful for their support and without that support it would have been difficult to have got through the early years of the charity with such robust growth.

The team have made great progress in improving our technology and it has been one of the factors in containing costs of operating the charity. Obviously, every charity has to keep a very close eye on costs, and we are always looking for ways to remain effective without increasing our spending. This was signalled in last year's report.

Chair's Report
for the Year Ended 31 May 2022

A key event in our annual calendar is our Christmas party for the artists and their families and carers. This year held in May due to Covid, it was the opportunity to award every artist a personal certificate recognising their own individual contribution. It is an amazing evening and one which is enthusiastically welcomed by our most important people, the artists.

We are delighted that early in the year we appointed a new trustee, Joanna Nagel, who is now fully active.

We would have ideally found a larger studio this year or expanded our activity to new pastures but it was not to be. However, we still have big ambitions for our charity.

In every way our financial results for the year do not reflect the turmoil we have been through. We face 2022 with excitement even considering how the new 'cost of living' and other challenges in the economy could affect our progress. It means I can repeat last year's final paragraph:

ARTHOUSE Unlimited goes into the next financial year in a very strong position - product range, staff team, artists in the studio, trade sales going well, strong online business and trade shows planned for September 2022 and January 2023.

Dr Colin Stokes MBE
Chair of Trustees

Report of the Trustees
for the Year Ended 31 May 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1177900

Principal address

96 High Street

Godalming

Surrey

GU7 1DW

Trustees

Dr C Stokes

J T Pepper

A L Cross

S J Longdon

J Nagel (appointed 10.9.21)

Auditors

Bennewith 2018 Limited (Statutory Auditors)

3 Wey Court

Mary Road

Guildford

Surrey

GU1 4QU

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Report of the Trustees
for the Year Ended 31 May 2022

Approved by order of the board of trustees on and signed on its behalf by:

.....
Dr C Stokes - Trustee

Report of the Independent Auditors to the Trustees of
ARTHOUSE Unlimited

Opinion

We have audited the financial statements of ARTHOUSE Unlimited (the 'charity') for the year ended 31 May 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (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 May 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of 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 Auditors' 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
ARTHOUSE Unlimited

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined the most significant are those that relate to FRS 102 Section 1A, pension laws and regulations and tax regulations.

We assessed the risks of material misstatement in respect of fraud as follows:

- Enquiries made of management and those charged with governance as well as the payroll services
- Analytical procedures were used to identify if there were any unusual or unexpected relationships
- Discussions with management to identify any fraud risk factors of related party relationships and transactions

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above.

Enquiries were made of management and those charged with governance. We corroborated our enquiries through the review of Board minutes and other papers provided. There was no contradictory evidence.

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries into our audit approach. We tested year end journals as well as journal entries throughout the year. There were no transactions identified outside the normal course of business.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud. We incorporated an element of unpredictability in the selection of the nature, timing, and extent of audit procedures.

Where transaction meeting risk criteria were identified, we carried out further work such as additional testing to source information.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of
ARTHOUSE Unlimited

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Bennewith 2018 Limited (Statutory Auditors)

3 Wey Court

Mary Road

Guildford

Surrey

GU1 4QU

Date:

Statement of Financial Activities
for the Year Ended 31 May 2022

		Unrestricted funds £	Restricted funds £	31.5.22 Total funds £	31.5.21 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	66,512	80,087	146,599	116,422
Charitable activities	4				
Shop sales		46,182	-	46,182	22,607
Commissions		20,615	-	20,615	18,000
Online retail sales		171,016	-	171,016	296,546
Trade sales		795,611	-	795,611	452,487
Art sessions		97,403	-	97,403	68,590
Corporate gift sales		26,933	-	26,933	-
Investment income	3	14	-	14	34
Other income		-	-	-	13,720
Total		<u>1,224,286</u>	<u>80,087</u>	<u>1,304,373</u>	<u>988,406</u>
EXPENDITURE ON					
Charitable activities	5				
Goods Purchased for Resale		541,415	-	541,415	349,862
Miscellaneous Purchases		3,001	-	3,001	2,729
Packaging and Carriage- Retail Sales		2,720	-	2,720	8,800
Marketing and PR		34,016	-	34,016	15,251
Courier Fees		5,702	-	5,702	5,799
Package and Carriage - Trade Sales		73,553	-	73,553	39,612
Artist Materials		1,252	412	1,664	1,022
Other		<u>531,510</u>	<u>46,209</u>	<u>577,719</u>	<u>518,376</u>
Total		<u>1,193,169</u>	<u>46,621</u>	<u>1,239,790</u>	<u>941,451</u>
NET INCOME		31,117	33,466	64,583	46,955
RECONCILIATION OF FUNDS					
Total funds brought forward		144,691	10,173	154,864	107,909
TOTAL FUNDS CARRIED FORWARD		<u><u>175,808</u></u>	<u><u>43,639</u></u>	<u><u>219,447</u></u>	<u><u>154,864</u></u>

Balance Sheet
31 May 2022

	Notes	Unrestricted funds £	Restricted funds £	31.5.22 Total funds £	31.5.21 Total funds £
FIXED ASSETS					
Tangible assets	14	26,082	-	26,082	15,552
CURRENT ASSETS					
Stocks	15	150,844	-	150,844	125,405
Debtors: amounts falling due within one year	16	50,168	-	50,168	25,436
Prepayments and accrued income		21,926	-	21,926	22,051
Cash at bank		180,914	43,639	224,553	176,816
		<u>403,852</u>	<u>43,639</u>	<u>447,491</u>	<u>349,708</u>
CREDITORS					
Amounts falling due within one year	17	(84,732)	-	(84,732)	(63,169)
		<u>319,120</u>	<u>43,639</u>	<u>362,759</u>	<u>286,539</u>
NET CURRENT ASSETS					
		<u>319,120</u>	<u>43,639</u>	<u>362,759</u>	<u>286,539</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>345,202</u>	<u>43,639</u>	<u>388,841</u>	<u>302,091</u>
CREDITORS					
Amounts falling due after more than one year	18	(169,394)	-	(169,394)	(147,227)
		<u>175,808</u>	<u>43,639</u>	<u>219,447</u>	<u>154,864</u>
NET ASSETS		<u>175,808</u>	<u>43,639</u>	<u>219,447</u>	<u>154,864</u>
FUNDS	19				
Unrestricted funds				175,808	144,691
Restricted funds				43,639	10,173
TOTAL FUNDS				<u>219,447</u>	<u>154,864</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
C Stokes - Trustee

Cash Flow Statement
for the Year Ended 31 May 2022

	Notes	31.5.22 £	31.5.21 £
Cash flows from operating activities			
Cash generated from operations	1	68,953	31,592
Net cash provided by operating activities		<u>68,953</u>	<u>31,592</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(21,216)	(7,927)
Net cash used in investing activities		<u>(21,216)</u>	<u>(7,927)</u>
Change in cash and cash equivalents in the reporting period		<u>47,737</u>	<u>23,665</u>
Cash and cash equivalents at the beginning of the reporting period		<u>176,816</u>	<u>153,151</u>
Cash and cash equivalents at the end of the reporting period		<u><u>224,553</u></u>	<u><u>176,816</u></u>

Notes to the Cash Flow Statement
for the Year Ended 31 May 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.5.22	31.5.21
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	64,583	46,955
Adjustments for:		
Depreciation charges	10,686	12,083
Increase in stocks	(25,439)	(8,181)
Increase in debtors	(24,607)	(43,822)
Increase in creditors	43,730	24,557
Net cash provided by operations	68,953	31,592

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.6.21	Cash flow	At 31.5.22
	£	£	£
Net cash			
Cash at bank	176,816	47,737	224,553
	176,816	47,737	224,553
Total	176,816	47,737	224,553

Notes to the Financial Statements
for the Year Ended 31 May 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

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

Legacies are accounted for when received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Stocks

Stock consists of good for resale. Stocks are valued at the lower of cost and net realisable value.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

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

Bounce back loan scheme

The Charity received Government support during the previous period in the form of the Bounce Back Loan Scheme. Some payments have been made in the current period and the remaining balance at the year end is £49,537.04.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2022

2.	DONATIONS AND LEGACIES		31.5.22	31.5.21
			£	£
	Donations		145,523	115,306
	Gift aid		1,076	1,116
			<u>146,599</u>	<u>116,422</u>
3.	INVESTMENT INCOME		31.5.22	31.5.21
			£	£
	Investment income		<u>14</u>	<u>34</u>
4.	INCOME FROM CHARITABLE ACTIVITIES		31.5.22	31.5.21
			£	£
	Charitable Activities	Activity		
		Shop sales	46,182	22,607
	Charitable Activities	Commissions	20,615	18,000
	Charitable Activities	Online retail sales	171,016	296,546
	Charitable Activities	Trade sales	795,611	452,487
	Charitable Activities	Art sessions	97,403	68,590
	Charitable Activities	Corporate gift sales	26,933	-
			<u>1,157,760</u>	<u>858,230</u>
5.	CHARITABLE ACTIVITIES COSTS			Direct Costs £
	Goods Purchased for Resale			541,415
	Miscellaneous Purchases			3,001
	Packaging and Carriage- Retail Sales			2,720
	Marketing and PR			34,016
	Courier Fees			5,702
	Package and Carriage - Trade Sales			73,553
	Artist Materials			1,664
				<u>662,071</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2022

6. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Other resources expended	129,720	6,000	135,720
	<u>129,720</u>	<u>6,000</u>	<u>135,720</u>

7. AUDITORS' REMUNERATION

	31.5.22 £	31.5.21 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	4,000	-
Auditors' remuneration for non audit work	2,000	-
	<u>6,000</u>	<u>-</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 May 2022 nor for the year ended 31 May 2021.

Trustees' expenses

During the year no trustee was reimbursed for expenses. One Trustees was reimbursed £1,740 for expenses in the previous year.

9. STAFF COSTS

	2022 £	2021 £
Wages and salaries	375,110	337,810
Social security	28,510	29,734
Pension costs	18,330	19,610
Other staff costs	3,354	3,070
	<u>425,305</u>	<u>390,224</u>
Total	<u>425,305</u>	<u>390,224</u>

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

	31.5.22	31.5.21
Staff	27	23
	<u>27</u>	<u>23</u>

No employees received emoluments in excess of £60,000.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2022

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	38,731	77,691	116,422
Charitable activities			
Shop sales	22,607	-	22,607
Commissions	18,000	-	18,000
Online retail sales	296,546	-	296,546
Trade sales	452,487	-	452,487
Art sessions	68,590	-	68,590
Investment income	34	-	34
Other income	13,720	-	13,720
Total	910,715	77,691	988,406
EXPENDITURE ON			
Charitable activities			
Goods Purchased for Resale	349,862	-	349,862
Miscellaneous Purchases	2,729	-	2,729
Packaging and Carriage- Retail Sales	8,800	-	8,800
Marketing and PR	-	15,251	15,251
Courier Fees	5,799	-	5,799
Package and Carriage - Trade Sales	39,612	-	39,612
Artist Materials	-	1,022	1,022
Other	439,156	79,220	518,376
Total	845,958	95,493	941,451
NET INCOME/(EXPENDITURE)	64,757	(17,802)	46,955
RECONCILIATION OF FUNDS			
Total funds brought forward	79,934	27,975	107,909
TOTAL FUNDS CARRIED FORWARD	144,691	10,173	154,864

Notes to the Financial Statements - continued
for the Year Ended 31 May 2022

11. KEY MANAGEMENT

The total amount of employee benefits received by its Key Management personnel was £54,591

12. CORONAVIRUS JOB RETENTION SCHEME

A sum of £13,720.17 was received in the 2021 (£nil in 2022) from the government towards salaries and wages

13. FUTURE COMMITMENTS

At 31 May 2022 the Charity had annual commitments under operating leases as follows:

	96 High Street £	Vehicle £	Total 2021 £	Total 2020 £
Within one year	35,000	3,324	38,324	36,762
Within 2-5 years	140,000	1,662	141,662	144,986
More than 5 years	56,863	-	56,863	91,863
Total	<u>231,863</u>	<u>4,986</u>	<u>236,849</u>	<u>273,611</u>

14. TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Furniture, fittings and office equipment 20%-33.3% straight line

15. STOCKS

	31.5.22 £	31.5.21 £
Goods held for resale	<u>150,844</u>	<u>125,405</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.22 £	31.5.21 £
Trade debtors	<u>50,168</u>	<u>25,436</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2022

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.22	31.5.21
	£	£
Trade creditors	25,461	13,889
Taxation and social security	23,924	24,505
Other creditors	35,347	24,775
	<u>84,732</u>	<u>63,169</u>

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.5.22	31.5.21
	£	£
Other creditors	<u>169,394</u>	<u>147,227</u>

19. MOVEMENT IN FUNDS

	At 1.6.21	Net movement in funds	At 31.5.22
	£	£	£
Unrestricted funds			
General fund	144,691	31,117	175,808
Restricted funds			
Awards for all	4,722	-	4,722
Fundraising	417	-	417
The National Lottery Community Fund	3,534	(3,534)	-
Artist fund	1,500	-	1,500
Big Issue	-	31,000	31,000
Wates foundation	-	6,000	6,000
	<u>10,173</u>	<u>33,466</u>	<u>43,639</u>
TOTAL FUNDS	<u>154,864</u>	<u>64,583</u>	<u>219,447</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,224,286	(1,193,169)	31,117
Restricted funds			
The National Lottery Community Fund	42,087	(45,621)	(3,534)
Big Issue	31,000	-	31,000
Wates foundation	7,000	(1,000)	6,000
	<u>80,087</u>	<u>(46,621)</u>	<u>33,466</u>
TOTAL FUNDS	<u>1,304,373</u>	<u>(1,239,790)</u>	<u>64,583</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2022

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.6.20 £	Net movement in funds £	At 31.5.21 £
Unrestricted funds			
General fund	79,934	64,757	144,691
Restricted funds			
Awards for all	4,722	-	4,722
Fundraising	417	-	417
The National Lottery Community Fund	22,336	(18,802)	3,534
Artist fund	500	1,000	1,500
	<u>27,975</u>	<u>(17,802)</u>	<u>10,173</u>
TOTAL FUNDS	<u><u>107,909</u></u>	<u><u>46,955</u></u>	<u><u>154,864</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	910,715	(845,958)	64,757
Restricted funds			
The National Lottery Community Fund	76,691	(95,493)	(18,802)
Artist fund	1,000	-	1,000
	<u>77,691</u>	<u>(95,493)</u>	<u>(17,802)</u>
TOTAL FUNDS	<u><u>988,406</u></u>	<u><u>(941,451)</u></u>	<u><u>46,955</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2022

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.6.20 £	Net movement in funds £	At 31.5.22 £
Unrestricted funds			
General fund	79,934	95,874	175,808
Restricted funds			
Awards for all	4,722	-	4,722
Fundraising	417	-	417
The National Lottery Community Fund	22,336	(22,336)	-
Artist fund	500	1,000	1,500
Big Issue	-	31,000	31,000
Wates foundation	-	6,000	6,000
	<u>27,975</u>	<u>15,664</u>	<u>43,639</u>
TOTAL FUNDS	<u><u>107,909</u></u>	<u><u>111,538</u></u>	<u><u>219,447</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,135,001	(2,039,127)	95,874
Restricted funds			
The National Lottery Community Fund	118,778	(141,114)	(22,336)
Artist fund	1,000	-	1,000
Big Issue	31,000	-	31,000
Wates foundation	7,000	(1,000)	6,000
	<u>157,778</u>	<u>(142,114)</u>	<u>15,664</u>
TOTAL FUNDS	<u><u>2,292,779</u></u>	<u><u>(2,181,241)</u></u>	<u><u>111,538</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2022

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 May 2022.

21. ULTIMATE CONTROLLING PARTY

The Board of Trustees are considered to be the ultimate controlling party.

22. FUNDS

General Fund

The general fund is used for the day to day running of the Charity.

Awards for All

This fund is for the purpose of recruiting, supporting and training volunteers.

Fundraising

This fund is for the purpose of employing a fundraising consultant for 12 months.

The National Lottery Fund

This fund is to support the provision of art opportunities in Surrey communities, specifically for adults with a dual diagnosis of a complex learning disability and epilepsy.

Artist Fund

This fund is to enable provision of improved and bespoke sound, communication and IT equipment for use by the Artists to enhance the atmosphere and working environment of the studio.

Wates Foundation

Received for the provision of support work training for the Art Instructors

Big Issue Grant

Funding provided for improvement of premises which can be moved in the future should ARTHOUSE Unlimited relocate.

Detailed Statement of Financial Activities
for the Year Ended 31 May 2022

	31.5.22 £	31.5.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	145,523	115,306
Gift aid	1,076	1,116
	146,599	116,422
Investment income		
Investment income	14	34
Charitable activities		
Charitable Activities	1,157,760	858,230
Other income		
Government grant	-	13,720
	1,304,373	988,406
EXPENDITURE		
Charitable activities		
Marketing and PR	34,016	15,251
Artist materials	1,664	1,022
Goods purchased for sale	541,415	349,862
Carriage/courier	5,702	5,799
Packaging and carriage	76,273	48,412
Miscellaneous purchases	3,001	2,729
	662,071	423,075
Other		
Wages	375,111	337,810
Social security	28,510	29,734
Pensions	18,330	19,610
Bank charges	3,363	2,592
Professional fees	2,345	10,333
Bad debts	300	(17,500)
Other staff costs	3,354	3,070
Depreciation of tangible fixed assets	10,686	12,083
	441,999	397,732
Support costs		
Other		
Light and heat	5,849	5,028
Carried forward	5,849	5,028

Detailed Statement of Financial Activities
for the Year Ended 31 May 2022

	31.5.22 £	31.5.21 £
Other		
Brought forward	5,849	5,028
Telephone	44,671	35,175
Sundries	12,033	5,698
Rent and rates	47,221	48,294
Travelling	7,619	2,128
Printing and stationery	6,616	13,628
Maintenance, equipment hire and rental	5,711	10,693
	129,720	120,644
Governance costs		
Auditors' remuneration	4,000	-
Auditors' remuneration for non audit work	2,000	-
	6,000	-
Total resources expended	1,239,790	941,451
Net income	64,583	46,955

ARTHOUSE UNLIMITED

England & Wales - Charity number 1177900

Accounts

REGISTERED CHARITY NUMBER: 1177900

**Report of the Directors and Trustees
Unaudited Financial Statements
for the Year Ended
31 May 2021
for
ARTHOUSE Unlimited
A Charitable Incorporated Organisation (CIO)**

ARTHOUSE Unlimited (A CIO)

**Contents of the Financial Statements
for the Year Ended 31 May 2021**

	Page
Report of the Directors and Trustees	1 to 5
Independent Examiner's Report	6 to 7
Statement of Financial Activities	8
Balance Sheet	9
Statement of Cash Flows	10
Notes to the Financial Statements	11 to 17
Detailed Statement of Financial Activities	18 to 19

ARTHOUSE Unlimited

**Report of the Directors and Trustees
for the Year Ended 31 May 2021**

The Directors and Trustees present their report with the financial statements of the charity for the year ended 31 May 2021. The Directors and Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1177900

Principal address

96 High Street
Godalming
Surrey
GU7 1DW

Directors and Trustees

Dr C Stokes
Ms A Cross
S Longdon
J Pepper

Independent Examiner

A J Temlett
Azets Audit Services Limited
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

ARTHOUSE Unlimited

Report of the Directors and Trustees for the Year Ended 31 May 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

ARTHOUSE Unlimited was registered with the Charities Commission on 11 April 2018.

ARTHOUSE Unlimited was founded to promote social inclusion for the public benefit by preventing people from becoming socially excluded and relieving the needs of people who are socially excluded by assisting them to integrate into society and assisting them in feeling engaged, valued and purposeful.

The Charity is controlled by its governing document, the CIO Constitution and is a Charitable Incorporated Organisation.

The Board appoints Directors and Trustees. The Directors and Trustees who served the charity during the year were as follows:

Dr C Stokes	Chair
Ms A Cross	
S Longdon	
J Pepper	

Recruitment and appointment of new Trustees

The Constitution provides for a minimum of 3 and a maximum of 7 Trustees. Where there is a requirement for new Trustees, these are identified and appointed by the existing Trustees through a resolution passed at a properly convened meeting of the Trustees.

Despite significant efforts we have to date been unable to replace Ms C Waterfall and so for this year we have had the four trustees listed above

Recruitment efforts are ongoing.

The Chair is responsible for the induction of any new Trustee and Director which involves awareness of a Trustee's responsibilities, the governing document, administrative procedures and the history of the Charity.

A new Trustee would receive a copy of the previous year's annual report and accounts, a copy of the Charity Commission leaflet 'The Essential Trustee: What You Need to Know' and the Constitution.

Risk management

The Directors and Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have established a risk register to identify and manage the major risks to which the Charity may be exposed.

Public benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit. Details of the activities undertaken in the year are included in the Chair's Report.

**Report of the Directors and Trustees
for the Year Ended 31 May 2021**

Chair's Report

I am very pleased to be able to report that we made a surplus last year despite all that occurred to potentially knock us off course. Our thanks go to the Artists, all those who work for the charity, including the many volunteers, and to our customers and donors.

When we created the budget for the year just ended, we were in lockdown and looked for the year from June 2020 to May 2021 as time when we thought Covid would be in the past and we could return to a "normal" situation. How wrong could we have been?

We had started to plan for a period of calm and concentration on building the business back to normal levels with our trade customers but of course their shops soon closed again. The website business continued to grow as individuals learnt how to buy online and the team used their creativity to build a new outlet for the business. This proved to be a key to our success. The Studio was closed and so we lost most of our session income.

We moved into a period when we had many of our team on furlough but this of course had significant consequences. We were so grateful to the National Lottery Community Fund who supported us to help cover the salaries of our CEO and design manager. This meant that we were able to benefit from their contribution for most of the year.

The centre of the charity remains the Artists. Keeping them at the forefront of our thinking is a constant in how we behave and the decisions that we take. They are an amazing group of individuals who bring sunshine into our lives – even with a shower or two. With them returning to the studio in June 2020 there was a wonderful atmosphere, and they were all so excited. This helps make their health issues have less of an impact. But so quickly we were back to no live studio sessions. We learnt to use an interactive screen to communicate with a section of the Artists but for some there was nothing. They wanted to return, and we certainly wanted them back. Then in April 2021 we got the OK and they all delightfully returned to the studio, and we were delighted for them to be there.

Apart from some of the team being on furlough, all our other costs remained. However, we did receive Government help for the shop which was of course closed for most of the year.

We also brought back some of the team to meet the increasing demand from our online customers who loved the newly created gift packages and this continued through until Christmas. This was a great boost and as the figures show it produced an amazing result.

Post Christmas and the wait for everyone went on. Then the shops reopened in April 2021 and our trade customers began to order again. Many were kind enough to pay on despatch which helped to protect our cash and reduce the risk we were taking.

At the same time, it was not surprising that the volume of online orders weakened but with the number of followers on social media growing our strong retail customer base continued to support us.

We remain working to promote our images under license and there are a number of good opportunities in the pipeline. Our product plans got held up during the lockdown but new products are ready to come on line over the coming months.

We continued to lease The Mews where we centre our online order and dispatch team. We also worked closely with Mencap who process our trade orders and providing an excellent shipping service.

The team have paid particular attention to our stock levels as it is a key cash component and we are in the middle of a review to improve our basic IT systems. We will also take advantage of improving our technical capability.

We are so fortunate to have a team of very dedicated staff with Becky Sheridah as our CEO and of course founder. The team has been remarkable in taking advantage of every opportunity and as ever creating new products and selling approaches.

ARTHOUSE Unlimited

**Report of the Directors and Trustees
for the Year Ended 31 May 2021**

Chair's Report (continued)

With the Artists back in the studio, it really does feel as if we can move into the coming year in a more Normal way. Many of our brilliant volunteers have also been able to return.

We remain grateful for all the organisations who give us financial support and this includes the National Lottery Community Fund.

Our search for a new Trustee, who can bring special expertise to the charity, continues.

Arthouse Unlimited goes into the next financial year in a very strong position – product range, team, Artists in the studio and soon to be back in the shop, trade sales going well, a strong online business and a trade show planned for September once again.



.....
C Stokes
Chair of the Trustees

ARTHOUSE Unlimited

**Report of the Directors and Trustees
for the Year Ended 31 May 2021**

FINANCIAL REVIEW

Financial Review

During the year, income was £988,407 (2020: £1,046,029) and expenditure was £941,451 (2020: £958,336). This resulted in a surplus of £46,956 (2020: £87,693).

During the year, the Charity has spent £7,930 (2020: £8,249) on capital expenditure.

Reserves policy

At 31 May 2021 net assets were £154,865 (2019: £107,909).

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

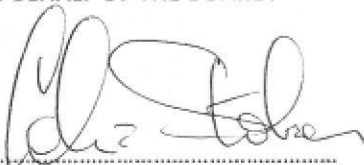
The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the provisions of the trust deed. 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.

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

ON BEHALF OF THE BOARD:



C Stokes - Chair

Date: 13.08.21

Independent Auditor's Report to the Trustees of ARTHOUSE Unlimited

I report on the accounts of the Charity for the year ended 31 May 2021 which are set out on pages 8 to 17.

Respective responsibilities of directors and examiner

The Charity's directors are responsible for the preparation of the accounts. The Charity's directors consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

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

Other matters

Your attention is drawn to the fact that the Charity has prepared the accounts (financial statements) in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) 2nd edition issued in October 2019 in preference to the Accounting and Reporting Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1 which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

Independent examiner's statement (continued)

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

A J Temlett

.....
A J Temlett
Azets Audit Services Limited
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

Dated:

13 August 2021

ARTHOUSE Unlimited

Statement of Financial Activities
for the Year Ended 31 May 2021

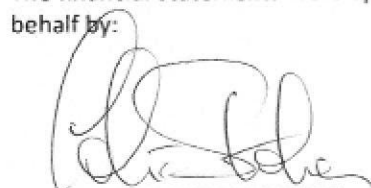
		Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	Notes	£	£	£	£
INCOMING RESOURCES					
Incoming resources					
Donations and legacies	2	51,336	77,691	129,027	162,096
Charitable activities	3	858,230	-	858,230	876,799
Investment income	4	34	-	34	20
Other		<u>1,116</u>	<u>-</u>	<u>1,116</u>	<u>7,114</u>
Total incoming resources		<u>910,716</u>	<u>77,691</u>	<u>988,407</u>	<u>1,046,029</u>
RESOURCES EXPENDED					
Costs of raising funds	5	-	-	-	32,080
Charitable activities	6	406,802	16,273	423,075	431,085
Other resources expended	7	<u>439,156</u>	<u>79,220</u>	<u>518,376</u>	<u>495,171</u>
Total resources expended		<u>845,958</u>	<u>95,493</u>	<u>941,451</u>	<u>958,336</u>
NET INCOME		64,758	(17,802)	46,956	87,693
Net movement in funds		64,758	(17,802)	46,956	87,693
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>79,934</u>	<u>27,975</u>	<u>107,909</u>	<u>20,216</u>
TOTAL FUNDS CARRIED FORWARD	17	<u>144,692</u>	<u>10,173</u>	<u>154,865</u>	<u>107,909</u>

ARTHOUSE Unlimited

Balance Sheet
At 31 May 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	12	<u>15,554</u>	<u>-</u>	<u>15,554</u>	<u>19,707</u>
		15,554	-	15,554	19,707
CURRENT ASSETS					
Stock		125,405	-	125,405	117,224
Debtors	13	47,487	-	47,487	3,666
Cash at bank and in hand		<u>157,643</u>	<u>19,173</u>	<u>176,816</u>	<u>153,151</u>
		330,535	19,173	349,708	274,041
CREDITORS					
Amounts falling due within one year	14	<u>(54,170)</u>	<u>(9,000)</u>	<u>(63,170)</u>	<u>(45,612)</u>
NET CURRENT ASSETS		<u>276,365</u>	<u>10,173</u>	<u>286,538</u>	<u>228,429</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		291,919	10,173	302,092	248,136
CREDITORS					
Amounts falling due after one year	15	<u>(147,227)</u>	<u>-</u>	<u>(147,227)</u>	<u>(140,227)</u>
NET ASSETS	16	<u>144,692</u>	<u>10,173</u>	<u>154,865</u>	<u>107,909</u>
FUNDS	17				
Unrestricted funds				144,692	79,934
Restricted funds				<u>10,173</u>	<u>27,975</u>
TOTAL FUNDS				<u>154,865</u>	<u>107,909</u>

The financial statements were approved by the Board of Trustees on 13.08.2021 and were signed on its behalf by:



C Stokes -Chair

ARTHOUSE Unlimited

Statement of Cash Flows
For the Year Ended 31 May 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Net cash income		46,956	87,693
Adjustments to cash flows from non-cash items			
Depreciation	12	12,083	9,629
Investment income		(34)	(20)
		59,005	97,302
Working capital adjustments			
(Increase) in stock		(8,181)	(31,700)
(Increase)/decrease in debtors	13	(43,821)	81,405
Increase/(decrease) in creditors	14	17,558	(30,273)
Net cash flows from operating activities		24,561	116,734
Cash flows from investing activities			
Interest receivable		34	20
Purchase of tangible fixed assets	12	(7,930)	(8,249)
		(7,896)	(8,229)
Cash flow from financing activities			
Receipts from issue of new long-term loans	15	50,000	-
Repayment of existing long-term loans	15	(43,000)	-
		7,000	-
Net increase in cash and cash equivalents		23,665	108,505
Cash and cash equivalents at 31 May 2020		153,151	44,646
Cash and cash equivalent at 31 May 2021		176,816	153,151

**Notes to the Financial Statements
for the Year Ended 31 May 2021**

1. ACCOUNTING POLICIES

Accounting convention

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) 2nd edition issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) 2nd edition issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Going concern

We have paid particular attention to the likely effects on the Charity of the current Covid-19 outbreak and the Trustees remain confident that sufficient funding, and reserves, are in place and that the Charity has adequate resources to enable it to continue as a going concern for the foreseeable future.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Legacies are accounted for when received.

Investment income

This is included in the accounts when receivable.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charity to pay out resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Furniture, fittings and office equipment - 20%-33.3% straight line

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021**

1. ACCOUNTING POLICIES continued**Stocks**

Stock consists of goods for resale. Stocks are valued at the lower of cost and net realisable value.

Taxation

The Charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate, and receivable or payable within one year, are recorded at transaction price.

Coronavirus Job Retention Scheme

The Charity has received Government support during the period in the form of the Coronavirus Job Retention Scheme grant which has been accounted for under the accruals method as grants received within donation and legacies.

Bounce Back Loan Scheme

The Charity has received Government support during the period in the form of the Bounce Back Loan Scheme.

2. DONATION AND LEGACIES

	2021	2020
	£	£
Donations	<u>129,027</u>	<u>162,096</u>

Of the total donations received £77,691 (2020: £74,708) relates to restricted funds.

3. CHARITABLE ACTIVITIES

	2021	2020
	£	£
Shop sales	22,607	44,384
Commissions	18,000	27,639
Online retail sales	296,546	112,956
Trade sales	452,487	552,365
Art sessions	<u>68,590</u>	<u>139,455</u>
	<u>858,230</u>	<u>876,799</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Bank interest	<u>34</u>	<u>20</u>
	<u>34</u>	<u>20</u>

ARTHOUSE Unlimited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021**

5. COST OF RAISING FUNDS

	2021	2020
	£	£
Fundraising expenses	<u>-</u>	<u>32,080</u>

Of the total fundraising expenses £Nil (2020: £6,500) relates to restricted funds.

6. CHARITABLE ACTIVITIES

	2021	2020
	£	£
Goods purchased for resale	349,862	241,777
Miscellaneous purchases	2,729	1,814
Packaging and carriage – Retail sales	8,800	9,783
Marketing and PR	15,251	37,442
Courier fees	5,799	3,912
Package and carriage – Trade sales	39,612	53,447
Artist materials	<u>1,022</u>	<u>1,910</u>
	<u>423,075</u>	<u>431,085</u>

Of the total Charitable activities expenses £16,273 (2020: £1,500) relates to restricted funds.

7. OTHER RESOURCES EXPENDED

	Notes	2021	2020
		£	£
Support costs	8	120,644	110,108
Management and administration	9	<u>397,732</u>	<u>385,063</u>
		<u>518,376</u>	<u>495,171</u>

8. SUPPORT COSTS

	2021	2020
	£	£
Rent and rates	48,294	40,415
Heat, light and power	5,028	4,776
Travelling expenses	2,128	5,691
Printing and stationery	13,628	11,908
Telephone and computer	35,175	32,228
Maintenance, equipment hire and rental	10,693	8,284
General expenses	<u>5,698</u>	<u>6,806</u>
	<u>120,644</u>	<u>110,108</u>

Of the total support costs £3,968 (2020: £4,870) relates to restricted funds.

ARTHOUSE Unlimited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021**

9. MANAGEMENT AND ADMINISTRATION COSTS

	2021	2020
	£	£
Gross wages	390,224	350,242
Bank charges	2,592	2,489
Professional fees	8,333	1,537
Independent examiner's fees	2,000	-
Depreciation	12,083	9,629
Auditor's fees	-	2,000
Bad debts	<u>(17,500)</u>	<u>19,166</u>
	<u>397,732</u>	<u>385,063</u>

Of the total management and administration costs £75,252 (2020: £44,040) relates to restricted funds.

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 May 2021.

Reimbursed expenses during the year totalled £1,740 (2020: £1,030) and were paid to one (2020: two) trustees.

11. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	337,810	307,737
Social Security	29,734	19,270
Pension	19,610	20,835
Other staff costs	<u>3,070</u>	<u>2,400</u>
	<u>390,224</u>	<u>350,242</u>

The average monthly number of employees during the year was 23 (2020: 19).

There were no highly paid employees during this year.

12. TANGIBLE FIXED ASSETS

	Furniture and fixtures £	Office equipment £	Totals £
COST			
At 1 June 2020	28,922	3,490	32,412
Additions	<u>2,962</u>	<u>4,968</u>	<u>7,930</u>
At 31 May 2021	<u>31,884</u>	<u>8,458</u>	<u>40,342</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2021

12. TANGIBLE FIXED ASSETS (continued)

	Furniture and fixtures £	Office equipment £	Totals £
DEPRECIATION			
At 1 June 2020	11,891	814	12,705
Charge for year	<u>10,130</u>	<u>1,953</u>	<u>12,083</u>
At 31 May 2021	<u>22,021</u>	<u>2,767</u>	<u>24,788</u>
NET BOOK VALUE			
At 31 May 2021	<u>9,863</u>	<u>5,691</u>	<u>15,554</u>
At 31 May 2020	<u>17,031</u>	<u>2,676</u>	<u>19,707</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	25,436	2,066
Prepayments and other debtors	<u>22,051</u>	<u>1,600</u>
	<u>47,487</u>	<u>3,666</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	13,890	6,039
Social security and other taxes	24,505	34,982
Accruals and deferred income	13,092	2,185
Other creditors	<u>11,683</u>	<u>2,406</u>
	<u>63,170</u>	<u>45,612</u>

15. CREDITORS: AMOUNTS AFTER ONE YEAR

	2021 £	2021 £
Other creditors	97,227	97,227
Loans	<u>50,000</u>	<u>43,000</u>
	<u>147,227</u>	<u>140,227</u>

ARTHOUSE Unlimited

Notes to the Financial Statements - continued
for the Year Ended 31 May 2021

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Fixed assets	15,554	-	15,554	19,707
Current assets	330,535	19,173	349,708	274,041
Current liabilities	(54,170)	(9,000)	(63,170)	(45,612)
Long term liabilities	<u>(147,227)</u>	<u>-</u>	<u>(147,227)</u>	<u>(140,227)</u>
	<u>144,692</u>	<u>10,173</u>	<u>154,865</u>	<u>107,909</u>

17. MOVEMENT IN FUNDS – CURRENT YEAR

	At 31.5.2020 £	Net movement in funds £	Transfers between funds £	At 31.5.2021 £
Unrestricted funds				
General fund	<u>79,934</u>	<u>64,758</u>	<u>-</u>	<u>144,692</u>
Restricted funds				
Awards for all	4,722	-	-	4,722
Fundraising	417	-	-	417
The National Lottery				
Community Fund	22,336	(18,802)	-	3,534
Artist fund	<u>500</u>	<u>1,000</u>	<u>-</u>	<u>1,500</u>
	<u>27,975</u>	<u>(17,802)</u>	<u>-</u>	<u>10,173</u>
TOTAL FUNDS	<u>107,909</u>	<u>46,956</u>	<u>-</u>	<u>154,865</u>

	Incoming resources £	Resources expended £	Net movement £
Unrestricted funds			
General fund	<u>910,716</u>	<u>(845,958)</u>	<u>64,758</u>
Restricted funds			
Awards for all	-	-	-
Fundraising	-	-	-
The National Lottery			
Community Fund	76,691	(95,493)	(18,802)
Artist fund	<u>1,000</u>	<u>-</u>	<u>1,000</u>
	<u>77,691</u>	<u>(95,493)</u>	<u>17,802</u>

General Fund

The general fund is used for the day to day running of the Charity.

Awards for All

This fund is for the purpose of recruiting, supporting and training volunteers.

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021**

17. MOVEMENT IN FUNDS (continued) – CURRENT YEAR**Fundraising**

This fund is for the purpose of employing a fundraising consultant for 12 months.

The National Lottery Community Fund

This fund is to support the provision of art opportunities in Surrey communities, specifically for adults with a dual diagnosis of a complex learning disability and epilepsy.

Artist Fund

This fund is to enable provision of improved and bespoke sound, communication and IT equipment for use by the Artists to enhance the atmosphere and working environment of the studio.

MOVEMENT IN FUNDS – PRIOR YEAR

	At 31.5.2019 £	Net movement in funds £	Transfers between funds £	At 31.5.2020 £
Unrestricted funds				
General fund	10,039	69,895	-	79,934
Restricted funds				
Awards for all	9,760	(5,038)	-	4,722
Fundraising	417	-	-	417
The National Lottery Community Fund	-	22,336	-	22,336
Artist fund	-	500	-	500
	10,177	17,798	-	27,975
TOTAL FUNDS	20,216	87,693	-	107,909

	Incoming resources £	Resources expended £	Net movement £
Unrestricted funds			
General fund	971,321	(901,426)	69,895
Restricted funds			
Awards for all	-	(5,038)	(5,038)
Fundraising	-	-	-
The National Lottery Community Fund	74,208	(51,872)	22,336
Artist fund	500	-	500
	74,708	(56,910)	17,798

18. RELATED PARTY TRANSACTIONS

There were no transactions with related parties for the year ended 31 May 2021 or for the year ended 31 May 2020.

19. ULTIMATE CONTROLLING PARTY

The Board of Trustees are considered to be the ultimate controlling party.

ARTHOUSE Unlimited

Detailed Statement of Financial Activities
for the Year Ended 31 May 2021

	2021 £	2020 £
INCOMING RESOURCES		
Donations and legacies		
Donations	<u>129,027</u>	<u>162,096</u>
	129,027	162,096
Other income		
Gift aid recoverable	1,116	7,114
Investment income		
Bank interest	<u>34</u>	<u>20</u>
	34	20
Incoming resources from charitable activities		
Shop sales	22,607	44,384
Commissions	18,000	27,639
Online retail sales	296,546	112,956
Trade sales	452,487	552,365
Art sessions	<u>68,590</u>	<u>139,455</u>
	<u>858,230</u>	<u>876,799</u>
Total incoming resources	<u>988,407</u>	<u>1,046,029</u>
RESOURCES EXPENDED		
Costs of raising funds		
Fundraising expenses	<u>-</u>	<u>32,080</u>
Charitable activities		
Goods purchased for resale	349,862	241,777
Miscellaneous purchases	2,729	1,814
Packaging and carriage	8,800	90,783
Marketing and PR	15,251	37,442
Courier costs	5,799	3,912
Packaging and carriage	39,612	53,447
Artist materials	<u>1,022</u>	<u>1,910</u>
	<u>423,075</u>	<u>431,085</u>

ARTHOUSE Unlimited

**Detailed Statement of Financial Activities
for the Year Ended 31 May 2021**

	2021	2020
	£	£
Support costs		
Rent and rates	48,294	40,415
Heat, light and power	5,028	4,776
Travelling expenses	2,128	5,691
Printing and stationery	13,628	11,908
Telephone and computer	35,175	32,228
Maintenance, equipment hire and rental	10,693	8,284
General expenses	<u>5,698</u>	<u>6,806</u>
	120,644	110,108
Management and administration		
Gross wages	390,224	350,242
Bank charges	2,592	2,489
Professional fees	8,333	1,537
Independent examiner's fees	2,000	-
Depreciation	12,083	9,629
Auditor's fees	-	2,000
Bad debts	<u>(17,500)</u>	<u>19,166</u>
	<u>397,732</u>	<u>385,063</u>
Total resources expended	<u>941,451</u>	<u>958,336</u>
Net income	<u>46,956</u>	<u>87,693</u>

