
CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

CONTENTS

| | Page |
|---|---------|
| Reference and Administrative Details of the Charity, its Trustees and Advisers | 1 |
| Trustees' Report | 2 - 26 |
| Independent Examiner's Report | 27 |
| Statement of Financial Activities | 28 |
| Balance Sheet | 29 |
| Notes to the Financial Statements | 30 - 44 |

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022

| | |
|----------------------------------|---|
| Trustees | Yinnon Ezra MBE, Trustee Mark Courtice, Trustee (resigned 25 May 2021) Zoe Crockford, Trustee Charlotte Marchant, Trustee (appointed 26 July 2022) Stephen Foster, Trustee (resigned 26 April 2022) Tony Spencer, Trustee (appointed 27 July 2021) Kay May, Chair (appointed 25 May 2021) Toby Benjamin Michael, Trustee (appointed 25 May 2021) |
| Company registered number | 11307517 |
| Charity registered number | 1185771 |
| Registered office | St Mary's Chapel New Street Andover Hampshire SP10 1QW |
| Independent Examiner | BRC Accountants Suite 2 Healey House Dene Road Andover SP10 2AA |
| Bankers | CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ |

REPORT OF THE TRUSTEES

1 APRIL 2021 - 31 MARCH 2022



JULY 2022

CONTENTS

2
INTRODUCTION

3
ABOUT CAS

4
DIVERSITY &
ENVIRONMENT

5 - 6
EXTERNAL
RESOURCES

7 - 8
POPULATION
NEEDS

9 - 14
EXHIBITIONS
& EVENTS

15
ASSOCIATES
PROGRAMME

16
ORGANISATIONAL
RESTRUCTURE

17
MARKETING

18
IT & COMMS

18 - 20
FINANCES

21 - 22
RISKS

23 - 26
STRUCTURE,
GOVERNANCE &
MANAGEMENT



INTRODUCTION



Despite the challenges of COVID, CAS has weathered the storm relatively well compared to many other arts organisations; in fact it has grown its staff, pivoted its business model to adapt to the changing environment by moving some provision online, and relentlessly pursued its core business of building a strong reputation for delivering high quality and socially-engaged art.

In 2020/ 2021 the Board recognised the need for more capacity in delivering CAS' mission and also the need to build brand awareness, strong governance and a sustainable business model. At the same time, CAS needed to deliver the last piece of its NPO promise - the opening of CAS Community. In addition, two further NPO grant applications needed to be submitted - the NPO extension year 2022/ 23 and the NPO application for 2023/ 26.

This report highlights the great work CAS staff, its growing number of volunteers and the Board have delivered during the year 2021/ 22. We would like to thank them and our partners in making great strides in delivering our mission.

ABOUT CAS

Chapel Arts Studios (CAS) is a **socially engaged contemporary visual arts charity** based in Andover, Hampshire. We are one of Arts Council England's **National Portfolio Organisations** (NPO). In 2009 Test Valley Arts Foundation (TVAF) reopened the previously derelict St Mary's Chapel in Andover as an artists' studio. In 2018, Chapel Arts Studios (CAS) was launched and became a NPO and a company limited by guarantee, and then a charity in 2019.

We are an artist led organisation and our network of associate artists is key to our success. In early 2022 the Board and staff developed the organisation's vision and brand:

Our Mission: Working with our local communities we give a sense of belonging to everyone engaging with us. We develop and nurture artists of all ages to maximise their potential and inspire our communities by sharing high quality art with them.

Our Vision: Creating community and opportunities through art.

Our Cause: In a disconnected community with lack of access to cultural opportunities for all, we create a home of connections and possibilities through art. By being part of the cultural transformation of Andover and championing inclusion and creative potential in the wider region, we inspire our communities and nurture creatives, thus transforming lives.

Andover has some of the most deprived neighbourhoods in Hampshire (lowest 20 - 30% nationally). As a socially-engaged arts organisation this creates many opportunities for CAS to have a positive impact. A good example was our work with young people at Smannell Skatepark during the summer of 2020, working in collaboration with our partner Yellow Brick Road, brought holiday activities and art to young people in the most deprived areas of Andover.

CAS charitable objectives are:

- The advancement and promotions of the arts and, in particular, the social, economic and cultural contribution of the visual arts for the public benefit.
- The advancement of education and the furtherance of public knowledge, understanding and appreciation of the arts and in particular, the visual arts.
- During 2021/22 we have worked with the Board on our new 5-year strategy:
- People: discovering, inspiring, nurturing and developing artists
- Programmes: developing and sharing socially engaged arts programmes
- Places: excel as a centre for contemporary visual arts

DIVERSITY

CAS has continued its journey by working with Jon Adams, a **neurodivergent** activist and artist, and the neurodivergent community in Andover to co-create a neurodivergent strategy and action plan. This work started in 2021 with our 'Opening the Aviary' exhibition featuring Jon Adams, who gave a talk on his experience as a neurodivergent creative. This initial event became the catalyst for our further policy work, the aim of which is to **make art more accessible to neurodivergent people in and around Andover.**

Our Creative and Education Director continues to be a board member of disabled arts organisation 'Unlimited'. Advocacy, support and **increased visibility of disability within the arts** are issues that can be tackled more directly with such a position.

ENVIRONMENT

CAS has been collaborating with **Andover Trees United**, an environmental charity based in Andover, to deliver a number of projects and exhibitions. Our recent CAS AIR 'Underground' was led by artist Katt Grover and engaged local schools. It explored the **environment underground**, as part of a holistic and creative educational and digital art project.



Jon Adams



EXTERNAL RESOURCES

The Chapel

We have completed the transfer of the Chapel lease from TVAF (Test Valley Arts Foundation) to CAS, as well as the novation agreement with Arts Council England. With the expected opening of CAS Community in 2022/23 we are developing The Chapel into the residency and exhibition venue we have always hoped for.

Unity Art

CAS has continued to support its Associate Artist Caroline Perkins in providing studio spaces and an exhibition venue for artists in the centre of Andover. This support is both financial and otherwise, with CAS supporting exhibitions. This relationship is important to CAS as it provides a key resource for artists locally.

Andover Museum

The museum is providing a space for CAS' Educational Project Residency(EPR) programme and work has commenced to prepare the space for the first graduate in September 2022.

Lighthouse/ St Mary's Church

The Lighthouse and St Mary's church facilities are next door to the Chapel and we are developing our collaboration with them. In October 2021 St Mary's Church hosted our first hybrid online and in person talk with Jon Adams, a very important event for us which kick started our work to make art more accessible to neurodivergent people in and around Andover.



The Chapel



Unity Art Studios

EXTERNAL RESOURCES CONTINUED

The BMT

Unfortunately the Bus of Many Things (BMT) had to be sold due to increasing maintenance costs. However, we are able to use the St Mary's/ Lighthouse bus if needed. It is fully equipped, including digital equipment and is a great asset for us to use.

CAS Community

We have identified 65 High Street, Andover as a potential venue and are negotiating with Test Valley Borough Council about use and lease arrangements. We are hoping to move into these premises during 2022/23 and develop a community offering that combines the need for artists to network and collaborate with a resource to the local community, and particularly local young people and those living in the more deprived areas of Andover.

Other Venues

We are planning closer collaborations and commissions with Andover library and King John's House in Romsey during 2022, expanding our offer and partnering with heritage and cultural organisations across the Test Valley. This has been possible through TVAF match funding these initiatives.



POPULATION NEEDS

A report by Emma Wilkinson and Professor Geoffrey Meades 'Making sense of Andover's Mission' includes an **analysis of Andover's social needs:**

The high proportion of young people, pockets of deprivation, contrasted by areas of wealth surrounding the town and influxes of new people coming to live on the new housing estates, bring great challenges as well as a myriad of opportunities to Andover.

Priority needs fall into three main areas:

- 1) The young and young families.
- 2) Young mums and the 'socially isolated' living in the new housing estates.
- 3) Social cohesion and community integration: the relative separation of 'young' and 'old'.

A reduction in statutory youth services in Andover has left **a strong need for more community-based, third sector interventions in this area.** This is made more urgent by the high proportion and growing number of young people living in Andover. In addition, there is also a strong need to bring together diverse communities in meaningful, mutually beneficial and creative ways in order to transform potentially disconnected communities into **cohesive, vibrant, healthy** ones.

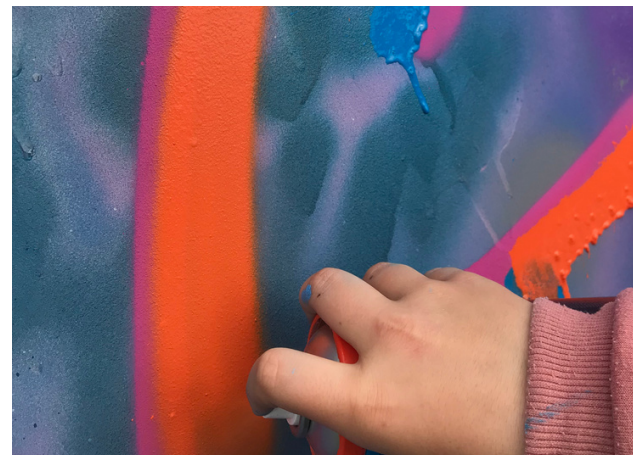


POPULATION NEEDS CONTINUED

CAS has also identified a need for **Neurodivergent people** living in Andover and the surrounding area and is developing its own Neurodivergent Policy and Action Plan - ND: Recreate Policy. Along with this, through our social prescribing course, Second Nature, CAS has identified **a need for creative courses and social interaction** for socially isolated over 60s, especially women who are facing loneliness and mental health challenges post lockdown.

Level of deprivation

Andover has a number of wards that fall within the bottom 20% - 30% on the Index of deprivation (2019) whilst being surrounded by relative wealth. Outside Portsmouth and Southampton it has some of the most deprived neighbourhoods in Hampshire, alongside Havant, Rushmore and Basingstoke.



EXHIBITIONS AND EVENTS

In **May 2021** the work from the first **CAS:AIR - The Andover Space Programme**, was put on display at Winchester Science Centre and Planetarium. This included the retrieved spacecraft, a film of the journey to and from Andover to near space, and a digital game available on an iPad, created by the artist. **Over 60,000 visitors** experienced this work during its time on display until Jan 2022.

Relational Beings

The CAS Associates summer show July 2021 explored co-connection between associates and showcased work from them including sculpture, painting and video.

Andover BID Day and Four Fun Fridays

Saturday 25th July 2021

CAS staff set up a stand, running a simple badge making workshop. CAS marketing material was used to spread awareness of CAS activities.

Whitchurch Festival

31st July -1st August 2021. Children and adults were invited to participate in 2 large, mixed-media community drawings. We worked with around 250 participants to recreate the River Test, filling it with all sorts of living things found in the chalk stream. Participants were also asked to record things for which they felt grateful.



EXHIBITIONS AND EVENTS CONTINUED

Art Confessional

August 2021. As part of Four Fun Fridays, CAS erected a confessional booth at the Riverside in Andover and invited members of the public to reveal their art confessions, (not feeling confident, bad experience at school etc). These were then pinned to the outside of the booth. Subsequently the booth was brought to the CAS space and exhibited with the drawing research group's work. 60 people contributed to this project



Art Confessional



Artblast

ArtBlast

August 2021

Using the 'Bus of Many Things' the project was based at Smannell Road skate park over three blocks of two day sessions in the first three weeks of August. During this time, artist Kezia Hoffman and her team engaged the young people at the skatepark in creative activities to produce work that reflected and celebrated their culture and interests. The artwork created was then displayed in an exhibition at the Unity Studios gallery space. Overall around 25 young people took part ranging from 10 years to 17 years old.



Artblast

EXHIBITIONS AND EVENTS CONTINUED

Drawing Reading Group and Research Week

August 2021

The Drawing research group (then in its second year) was led by Dr Yonat Nitzen- Green, and had 12 participants, including CAS associates. This was a paid course (free to associates), using various texts and drawing techniques to explore the research question 'Who is community?'. The course culminated in an experimental play/drawing opportunity in the physical CAS space during August 2021, which opened to the public the following weekend. A critically reflective text was written by Dr Yonat Nitzan - Green and submitted to CAS as a legacy of the process



Drawing Research Week

Nothing is Immediate

4th -25th September 2021 A multi-sensory exhibition by 3 associate artists, Tony Spencer, Maija Liepins and Christine Dodd exploring a sacred connection of the elements Water and Air.



Nothing is Immediate

Grub Club

Pilot - October 2021, Half term

CAS supported St Mary's Church and Hampshire CCG to deliver a free, fun, empowering, and educational programme during the Half Term Holidays- to ensure primary-school aged children and their families from households experiencing food poverty eat at least one freshly cooked meal a week during school holidays. Additionally, these clubs encourage social contact and enable families to learn new cooking skills together and increase their knowledge of nutrition, budgeting and other aspects of healthy living. CAS supported the programme by providing an artist who offered creative activities.

EXHIBITIONS AND EVENTS CONTINUED

Opening the Aviary

October 2021

Our most ambitious show to date, Opening the Aviary was an exhibition which stemmed from Jon Adams' drawings of birds throughout lockdown. These were drawn from internal thoughts around his situation during Covid and in general as a neurodivergent artist with PTSD. Prudence Maltby who also draws from a place of trauma and memory, stemming from her experience in bush wars in Africa was invited to exhibit too. The two artists shared their connection with birds, memory and internal dialogue which was captured on film.

Kate MccGwire was added to this mix as her work with bird feathers in vitrines creates forms which are both monstrous and beautiful, safely encased yet uncomfortable and unsafe, all of which seems to echo the internal struggle which Jon and Pru are referencing.

Onto this is added a short (1min) film by William Kentridge, edited and collaged together by filmmaker Rosa Beiroa, originally for the Tate, which describes the art process as 'The Mind of the Artist'. The exhibition had 227 visitors.



Kate MccGwire and Prudence Maltby



Opening the Aviary



Opening the Aviary

EXHIBITIONS AND EVENTS CONTINUED

Health and Wellbeing in the Test Valley 25th October 2021

This workshop was organised by TVBC, hosted by Hilliers and facilitated by Chapel Arts Studios. The aim of the workshop was to gather the main partners involved in the social prescribing of art in the Test Valley and to understand in more detail their needs (NHS/ GPs and arts organisations) and the process of social prescribing. We were able to identify best practice, any gaps and bring together a working group to develop an action plan following the event.

Art as Education, Education as Art

5th February 2022

A Performance by Laurence Dube-Rushby as part of her residency at CAS and her PhD. Laurence's performance was followed by talks by Professor Adelheid Mers, live from Chicago, and Dr Olu Taiwo, lecturer at Winchester University. A discussion followed which included Dr Penny Hayes of Bath Spa University and founder of The House of Imagination and 5x5x5 educational research. The Symposium explored the subject of disruption and dissent as a tool /live art in the education process.

The Symposium was a hybrid event with 32 people watching online and 8 participants in the Chapel.



Art for Health and Wellbeing



Art as Education, Education as Art



Laurence Dube-Rushby

EXHIBITIONS AND EVENTS CONTINUED

Second Nature

Social Prescribing course in February/ March/ April 2022

As part of its social prescribing programme, CAS provided a course, which was run by artist Steph Turner and proved to be a creative lifeline to older local residents facing mental and physical health challenges.

Two free courses of art workshops were made possible by funding from Simplyhealth and were aimed at local over 60s who were impacted by Covid restrictions, isolation and ill health. The aim of each course was to improve wellbeing through art practice centred around nature. The courses came in 2 blocks, with 8 participants in each and ran for 4 weeks, including a trip to Hillier Gardens and culminated in an exhibition at Unity Art Studios. A number of the participants and their friends were able to attend the opening and the show remained open throughout the jubilee festival and was part of the Jubilee Art Trail.

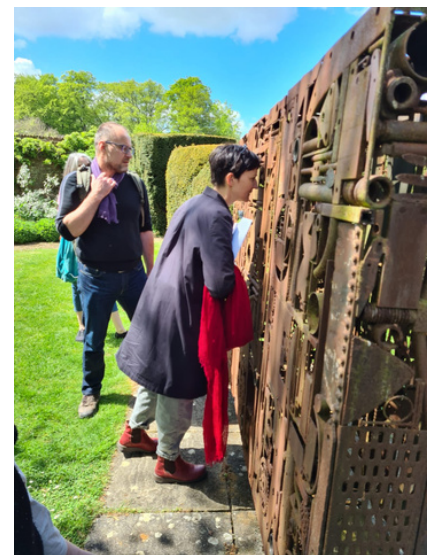


ASSOCIATE PROGRAMME

As part of the Associate membership, CAS offered the following range of activities aimed to develop artists and offer networking opportunities:

- Turbo Charge Your Practice with Ceri Hand - a professional support morning with professional mentor Ceri Hand, around pricing work and Q & A
- Dodge the Shredder - Online zoom session to look at strengths and weaknesses in applying for commissions/shows/projects and how to avoid the pitfalls
- Associates Exhibition and end of show picnic
- Covid safe Christmas party online
- Unity studio residency - the Unity residency provided temporary studio space for three artists to develop their practices, trying out larger work, in a dedicated space
- Crit groups - we held two crit groups with associates online, discussing new work and supporting each other in our practices

In 2021/22 we had 26 associates who pay £10 per month membership fee.



Other Activity

CAS has delivered 7 workshops and 5 exhibitions featuring work from 3 new artists, 17 CAS Associates and many members of the public. 7 artists were commissioned over the course of the year to deliver workshops, talks and take up residencies. Activities covered the audience span of adults, young people, families and children, artists and educators.

ORGANISATIONAL RESTRUCTURE

During late 2020 it became apparent that an organisation staffed by just 3 part time staff, and a contracted finance manager, was not sufficient to deliver the ambitious plans that CAS hoped to deliver in the future.

In May 2021 three new members of staff were appointed:

- Executive Director
- Communications & Impact Manager
- Operations Manager

This recruitment enabled CAS to do the following in 2021/22:

- Strengthen its governance arrangements by reviewing and developing all policies, processes, systems and structures
- Review its strategy, mission, vision and cause
- Record and report impact of activities more effectively
- Develop its stakeholder relationships
- Develop its volunteer base
- Develop its brand and brand recognition, as well as its general marketing and communications activities
- Write and submit the NPO extension year application

As part of the restructure, HR systems were introduced including standard contracts for all, recording of staff data on an online HR system, as well as the introduction of training and personal development reviews.



MARKETING

The restructure of the organisation in May 2021 included the recruitment of a **Communications and Impact Manager** who is responsible for implementing and managing all aspects of CAS marketing and impact assessments. This has increased our brand awareness across all media with a particular focus on our social media audience, and emarketing.

The current website has been improved with the launch of the new look website in early 2022. The new site is more user friendly for site visitors looking for information about CAS. **We continue to send out a regular newsletter** to all our contacts (over 500 now), advertising our upcoming events and circulating relevant information to all our partners and supporters, as well as asking for feedback from those who have attended CAS shows and programmes.

Using data and information collated throughout each quarter, **we report to the CAS board on audience and impact**. Utilising tools such as Google Analytics, Mailchimp reports, Audience Agency surveys and social media analytics, we use this data along with observations and verbal feedback to influence how we communicate CAS activities and measure the impact of them moving forward.

In early 2022 we worked with the Board to develop our brand and our cause, mission and vision. We also developed our stakeholder map which will allow us to create a more refined stakeholder plan during 2022/23.



IT AND COMMUNICATION

Further developments were made in developing internal filing systems and team communications. All files are now kept on a shared online folder system and the team communicates both through online meetings and a WhatsApp group, as well as face-to-face. Everyone received a new laptop and clear policies and processes were implemented around the use of these.

In addition, we hosted our first hybrid event (online and in-person) in October 2021 and have continued with this successfully across a number of events throughout 2021/ 22 and thereafter.

FINANCES

This year we disposed of the Bus of Many Things (BMT). No loss or gain was made on this disposal but it does mean that we have saved ourselves approximately £2,000 of running costs per annum.

The Novation was concluded, meaning that the lease for the Chapel is finally transferred to CAS. The unfortunate side of this completion was a legal fees bill of £5,200.

We had anticipated opening the CAS Community Space during this year but planning issues have delayed our progress. We now anticipate that we will be opening during the autumn of 2022.

Income

Income remains heavily reliant on grant funding, with 89% of total income coming from Arts Council England (ACE), with whom we have National Portfolio status. This status guarantees CAS income to March 2023. An application for NPO status to continue until 2026 has recently been submitted. We were also successful in obtaining funding from Garfield Weston £5000 and Simply Health £7,800.

Earned Income

Earned Income streams performed slightly better in 2022 than in 2021 with new artists joining the Associate Scheme. Earned income was still significantly under budget, however, because the Novation, Community Space and NPO application, took precedence over promotion of the Friends Scheme, and seeking sponsorship and donations.

There will be greater focus on earned income once the Community Space is open later in 2022.

FINANCES

CONTINUED

Expenditure

Staffing – The team of 5 part time members has now been established since May 21, increasing staffing costs, with includes the Freelance Finance Manager fees of £16,616, from £68,278 in 2021 to £102,786.

IT costs - increased with the larger staff team from £3,612 in 2021 to £5,859 in 2022. This cost is anticipated to remain fairly static until the opening of the Community Space and the additional staff that this expansion will necessitate.

Premises costs - in 2022 are 28% of the previous years costs when a general overhaul of the premises was carried out during the shutdown throughout the pandemic.

Legal fees - relate to the cost of the Novation process, including the transfer of the lease of the Chapel from Test Valley Arts Foundation (TVAF) to Chapel Arts Studios. This process has now been completed although some legal fees will likely be incurred as the Community Space progresses.

Project costs- remained low this year. In 2023 costs are anticipated to increase by 50% as the Chapel, schools and other activity pick back up again.

Current Assets

The bulk of the current assets is the bank balance which remains buoyant mostly due to the retention of the Designated Fund of £50,000 and accumulated reserves.

Reserves Policy

CAS, with its trustees, have established a reserves policy of building sufficient reserves to sustain the organisation for three months. They have also Designated Funds for the development of a Community Space within Andover. This will be the conversion of a shop space in the High Street, offering significantly increased visibility whilst also enabling CAS to further diversify their work and increase their accessibility to existing and new audiences, rather than the Chapel they currently inhabit which is on the perimeter of the town and situated in a cemetery, without proper vehicular access or parking.

FINANCES

CONTINUED

Restricted Reserves

CAS carries forward £6,180 in restricted reserves from Simply Health at the end of March 2022. The project delivering social prescribing art sessions continues through 2022 and hopefully into 2023.

Designated Funds

Community Space - £50,000 set aside for the development, one year rental and furnishing of a Community Space in Andover Town Centre.

Funders 2020/21

Arts Council England
Garfield Weston Foundation
Simplyhealth
Test Valley Borough Council
Hampshire County Council

CAS IS SUPPORTED USING
FUNDING BY:



Supported using public funding by
**ARTS COUNCIL
ENGLAND**



Partners 2020/21

Test Valley Borough Council, Andover Museum, Andover Library, Yellow Brick Road Projects, St Mary's Church/ Lighthouse, Andover Primary Care Network, Andover Vision, Andover Trees United, Unity Art Studio

RISKS

Fundraising - CAS has a good record of fundraising for specific projects and has a supportive borough council. It has also been greatly supported by the Arts Council England. However, the legacy of Covid19 may result in less grant funding being available from government funded organisations and local councils. The competition for Trust funds may become stiffer, making access to funding increasingly difficult.

Loss of NPO status - CAS is secure with its current NPO status until March 2023. To secure funding beyond that, they must be successful in their application for NPO status until 2026. We have been advised by ACE that competition will be stiff but we remain confident that we deliver high quality, community focussed work that aligns perfectly to the Arts Council's investment principles.

Community Space - The financial risks of taking on a new premises are substantial and include the risks of potentially correcting damp or vandalism, additional security costs and fire risks. Additional insurance will be required to mitigate some of these risks. Staffing costs will increase to ensure that the site is never left empty. The risk and cost of this is difficult to determine at this stage.



RISKS

CONTINUED

Covid - The charity, along with many others, faced challenges to share its work during the months/year of pandemic. Whilst activity has currently returned to the normality of pre-covid, we remain aware that the pandemic may not yet be over and that another could return at any time. Should such occur again, we will pivot to online exhibitions as we did before.

Volunteers - Opening the Community Space and simultaneously running an ambitious arts program will require a dedicated team of volunteers and careful management of that team. A Volunteers Programme has been developed and we had 7 volunteers at the end of March 2022. This has grown to 18 volunteers by the end of July 2022. However, as reliance upon volunteers increases there will be a need for closer management and increased resources and funding.



STRUCTURE, GOVERNANCE AND MANAGEMENT

CHARITY NUMBER 1185771

Limited Company Number 11307517

Registered Address:

Chapel Arts Studios

St Mary's Chapel

Andover

Hampshire

SP10 1DP

TRUSTEES

Kay May, Chair (appointed 25 May 21)

Stephen Foster, Trustee

Yinnon Ezra MBE, Trustee (resigned and re-appointed in 2021)

Zoe Crockford, Trustee

Tony Spencer, Trustee (appointed 27 July 21)

Toby Benjamin Michael, Trustee (appointed 25 May 21)

Resignations **Mark Courtice**, Chair (resigned 25 May 21)

Governing Documentation

The charity is controlled by its governing document, its memorandum and articles of association, and constitutes a limited company, limited by guarantee as defined by the Companies Act 2006.

In the event of winding up the company, the liability of the members is limited to a sum not exceeding £1 each.

Recruitment and appointment of new trustees

In accordance with the Governing Document, the trustees are responsible for the appointing of new trustees to the board. New trustees are appointed where they have the necessary skills to contribute to the charity and the organisation's management and development.

Induction and training of new trustees

There is a trustee role outline which each new trustee receives. An induction pack is sent to new trustees including conflicts of interest information and forms, as well as a confirmation of suitability to be a trustee. Introductory calls are arranged for new trustees with members of staff and the chair.

STRUCTURE, GOVERNANCE AND MANAGEMENT CONTINUED

THE OBJECTS OF THE CHARITY

1. The advancement and promotion of the arts and in particular the social economic and cultural contribution of the visual arts for the public benefit.
2. The advancement of education and the furtherance of public knowledge, understanding and appreciation of the arts and in particular the visual arts.

Activities

Chapel Arts Studios are a contemporary art organisation based in Hampshire. They offer artist residencies, art events, education in and outside of schools, workshops, talks and pop up galleries, to introduce or explore contemporary art within the community.

Organisational Structure

The senior management team is made up of:

David Dixon, Creative and Education Director

Susanne Hasselmann, Executive Director (appointed May 21)

Tracey Ward, Finance Manager

The trustees make all strategic decisions and support the staff to carry out these decisions. The Board appoints the directors, and a Board member attends interviews of all senior management positions. All other staff appointments are made internally. The Board also approves all major suppliers based on staff recommendations and market tested price comparisons.

The day to day running of the organisation is delegated to the senior management team. However, any invoice or payment exceeding £2,000 has to be approved by a Trustee and expense claims or invoices from any trustee requires authority from 1 other trustee before it can be paid

Based on limited staff numbers there is no requirement for a formal structure for pay scales at Chapel Arts Studios. The organisation is growing and salaries are set in line with market forces and local averages and are reviewed annually.

Risk Management

The 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT CONTINUED

FUNDRAISING AND FINANCIAL SUSTAINABILITY

Currently CAS is still reliant on NPO grant monies which makes up the majority of its funding. This must change in the years to come to ensure CAS can become reliably financially sustainable. To achieve this, CAS has started to look at its funding and has developed an overarching fundraising plan in 2021/22 which will be refined further in 2022/23.

Financial management of the business is the responsibility of the finance manager and the executive director. Individual budget lines and staff budgets have been agreed. Every expenditure is being reviewed and tested and quarterly budget meetings have been agreed with staff. A more rigorous expenditure approval and justification process has been implemented. Financial controls within the organisation will continue to be reviewed and improved where necessary.

TRUSTEES' RESPONSIBILITIES STATEMENT

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

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

- select suitable accounting policies and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONTINUED

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.
- the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Signed by

A handwritten signature in dark ink, appearing to read 'Kay May', written in a cursive style.

Kay May , Chair of the Trustees

Date: 17.08.2022

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022

Independent Examiner's Report to the Trustees of Chapel Arts Studios ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31st March 2022.

Responsibilities and Basis of Report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

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. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated:

David Horne FCCA

BRC Accountants
Suite 2 Healey House
Dene Road
Andover
Hampshire
SP10 2AA

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

| | Note | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | <i>Total funds 2021 £</i> |
|------------------------------------|-------------|--|--|---------------------------------------|---------------------------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 7,800 | 153,040 | 160,840 | 151,645 |
| Charitable activities | 4 | - | 1,150 | 1,150 | - |
| Other trading activities | 5 | - | 2,965 | 2,965 | 2,381 |
| Total income | | 7,800 | 157,155 | 164,955 | 154,026 |
| Expenditure on: | | | | | |
| Raising funds | 6 | - | 3,588 | 3,588 | 6,863 |
| Charitable activities | 7 | 1,620 | 157,548 | 159,168 | 113,388 |
| Total expenditure | | 1,620 | 161,136 | 162,756 | 120,251 |
| Net movement in funds | | 6,180 | (3,981) | 2,199 | 33,775 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | - | 124,561 | 124,561 | 90,786 |
| Net movement in funds | | 6,180 | (3,981) | 2,199 | 33,775 |
| Total funds carried forward | | 6,180 | 120,580 | 126,760 | 124,561 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 30 to 44 form part of these financial statements.

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 11307517

BALANCE SHEET
AS AT 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|--|------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 13 | 6,988 | 5,751 |
| | | <u>6,988</u> | <u>5,751</u> |
| Current assets | | | |
| Debtors | 14 | 2,019 | 3,002 |
| Cash at bank and in hand | | 131,759 | 125,696 |
| | | <u>133,778</u> | <u>128,698</u> |
| Creditors: amounts falling due within one year | 15 | (14,006) | (9,888) |
| Net current assets | | <u>119,772</u> | <u>118,810</u> |
| Total assets less current liabilities | | <u>126,760</u> | <u>124,561</u> |
| Net assets | | <u>126,760</u> | <u>124,561</u> |
| Total net assets | | <u>126,760</u> | <u>124,561</u> |
| Charity funds | | | |
| Restricted funds | 19 | 6,180 | - |
| Unrestricted funds | 19 | 120,580 | 124,561 |
| Total funds | | <u>126,760</u> | <u>124,561</u> |

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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


Kay May
Chairman
Date: 22. 11. 22

The notes on pages 30 to 44 form part of these financial statements.

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The charitable company is an individual private charity limited by guarantee incorporated in England and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charitable company in the event of liquidation.

The address of its registered office is: St Mary's Chapel, New Street, Andover, Hampshire, SP10 1QW

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

Donations and legacies

Donations, grants and gifts are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the charitable company is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period. Income from Gift Aid reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year-end are accounted for in income and accrued income in debtors.

Donated services and facilities are included at the value to the charitable company where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charitable company earns the right to consideration by its performance.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Expenditure (continued)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to the grant is outside the control of the Trust.

Raising funds

Cost of generating funds comprise the costs associated with attracting voluntary income, the management of investments and the costs of trading for fundraising purposes.

Charitable activities

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

2.4 Tangible fixed assets and depreciation

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

| | |
|-------------------------------------|-------------------|
| Furniture, fittings and equipment - | 20% straight line |
| Office equipment - | 33% straight line |
| Art equipment - | 33% straight line |

2.5 Debtors

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

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.6 Cash at bank and in hand

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

2.7 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.8 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.9 Pensions

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

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

2.11 Change in reporting period

The prior financial year end was changed from 30 April to 31 March to better align with the Arts Council England's reporting year. This has resulted in the prior year accounts being for an eleven month period rather than the usual year.

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

3. Income from donations and legacies

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | <i>Total funds 2021 £</i> |
|-------------------|--|--|---------------------------------------|---------------------------------------|
| Donations | - | 360 | 360 | - |
| Grants | 7,800 | 152,670 | 160,470 | 151,645 |
| Commissions | - | 10 | 10 | - |
| | <u>7,800</u> | <u>153,040</u> | <u>160,840</u> | <u>151,645</u> |
| <i>Total 2021</i> | <u>-</u> | <u>151,645</u> | <u>151,645</u> | |

4. Income from charitable activities

| | Unrestricted funds 2022 £ | Total funds 2022 £ | <i>Total funds 2021 £</i> |
|-----------------------------|--|---------------------------------------|---------------------------------------|
| Education, Talks & Training | <u>1,150</u> | <u>1,150</u> | <u>-</u> |

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

5. Income from other trading activities

Income from non charitable trading activities

| | Unrestricted funds 2022 £ | Total funds 2022 £ | <i>Total funds 2021 £</i> |
|-------------------------|--|---------------------------------------|---------------------------------------|
| Event and general sales | 155 | 155 | 193 |
| Other income | - | - | 88 |
| Associate fees | 2,310 | 2,310 | 1,970 |
| Publications | - | - | 130 |
| Sale of art | 500 | 500 | - |
| | <u>2,965</u> | <u>2,965</u> | <u>2,381</u> |
| <i>Total 2021</i> | <u>2,381</u> | <u>2,381</u> | |

6. Expenditure on raising funds

Fundraising trading expenses

| | Unrestricted funds 2022 £ | Total funds 2022 £ | <i>Total funds 2021 £</i> |
|-------------------|--|---------------------------------------|---------------------------------------|
| Fundraiser fees | 3,308 | 3,308 | 6,863 |
| Art for resale | 280 | 280 | - |
| | <u>3,588</u> | <u>3,588</u> | <u>6,863</u> |
| <i>Total 2021</i> | <u>6,863</u> | <u>6,863</u> | |

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Analysis of expenditure on charitable activities

Summary by fund type

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total 2022 £ | Total 2021 £ |
|--|--|--|-----------------------------|-----------------------------|
| Socially engaged art workshops and exhibitions | 1,620 | 157,548 | 159,168 | 113,388 |
| <i>Total 2021</i> | 1,282 | 112,106 | 113,388 | |

8. Analysis of expenditure by activities

| | Activities undertaken directly 2022 £ | Support costs 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--|--|---|---------------------------------------|---------------------------------------|
| Socially engaged art workshops and exhibitions | 105,313 | 53,855 | 159,168 | 113,388 |
| <i>Total 2021</i> | 79,463 | 33,925 | 113,388 | |

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

| | Socially engaged art workshops and exhibitions 2022 £ | Total funds 2022 £ | <i>Total funds 2021 £</i> |
|---|--|---------------------------------------|---------------------------------------|
| Staff costs | 71,654 | 71,654 | 6,000 |
| Depreciation | 3,117 | 3,117 | 1,777 |
| Project costs | 18,221 | 18,221 | 16,016 |
| Engagement fees | - | - | 9,713 |
| Artist Tools | 146 | 146 | 323 |
| Curator fees | - | - | 13,525 |
| Management fees | - | - | 19,390 |
| Rent and rates | 1,745 | 1,745 | 108 |
| Light, heat and power | 2,522 | 2,522 | 2,013 |
| Repairs and maintenance | 1,967 | 1,967 | 7,140 |
| Computer software and maintenance costs | 4,730 | 4,730 | 2,167 |
| Cleaning | 285 | 285 | 247 |
| Advertising | 819 | 819 | 980 |
| Bank charges | 107 | 107 | 64 |
| | <u>105,313</u> | <u>105,313</u> | <u>79,463</u> |
| <i>Total 2021</i> | <u>79,463</u> | <u>79,463</u> | |

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Socially engaged art workshops and exhibitions 2022 £ | Total funds 2022 £ | <i>Total funds 2021 £</i> |
|---|--|---------------------------------------|---------------------------------------|
| Staff costs (Administrator) | 15,303 | 15,303 | - |
| Subscriptions | 232 | 232 | 356 |
| Finance manager fees | 16,616 | 16,616 | 12,583 |
| Legal fees | 7,903 | 7,903 | 5,074 |
| Recruitment expenses | 864 | 864 | 655 |
| Administrator fees | 2,933 | 2,933 | 7,067 |
| Training costs | 791 | 791 | - |
| Insurance | 1,358 | 1,358 | 994 |
| Repairs and maintenance | 1,181 | 1,181 | 1,725 |
| Broadband, internet and fax | 1,045 | 1,045 | 929 |
| Computer software and maintenance costs | 1,183 | 1,183 | 1,445 |
| Printing, postage and stationary | 584 | 584 | 271 |
| Sundry expenses | 699 | 699 | 297 |
| Travel and subsistence | 36 | 36 | 26 |
| Governance costs | 3,127 | 3,127 | 2,503 |
| | <u>53,855</u> | <u>53,855</u> | <u>33,925</u> |
| <i>Total 2021</i> | <u>33,925</u> | <u>33,925</u> | |

9. Independent examiner's remuneration

| | 2022 £ | <i>2021 £</i> |
|---|---------------------|-------------------|
| Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts | 1,340 | 1,340 |
| Fees payable to the Charity's independent examiner in respect of: | | |
| All other services not included above | <u>1,204</u> | <u>1,163</u> |

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10. Staff costs

| | 2022 | <i>2021</i> |
|--|---------------|--------------|
| | £ | £ |
| Wages and salaries | 83,143 | <i>5,788</i> |
| Social security costs | 1,676 | <i>212</i> |
| Contribution to defined contribution pension schemes | 2,138 | <i>-</i> |
| | 86,957 | <i>6,000</i> |

The average number of persons employed by the Charity during the year was as follows:

| | 2022 | <i>2021</i> |
|--|-------------|-------------|
| | No. | No. |
| | 5 | <i>1</i> |

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charitable company comprise the trustees and the management team. The total employee benefits of the key management personnel of the charitable company were nil (2021: nil).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31st March 2022, general expenses totalling £NIL were reimbursed or paid directly to Trustees (2021 - £NIL to Trustee).

12. Taxation

The Charitable Company is a registered charitable company and is therefore exempt from taxation.

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Tangible fixed assets

| | Fixtures and fittings £ | Office equipment £ | Other fixed assets £ | Total £ |
|--------------------------|-------------------------------|--------------------------|----------------------------|---------------|
| Cost or valuation | | | | |
| At 1 April 2021 | 2,293 | - | 6,913 | 9,206 |
| Additions | - | 4,354 | - | 4,354 |
| At 31 March 2021 | <u>2,293</u> | <u>4,354</u> | <u>6,913</u> | <u>13,560</u> |
| Depreciation | | | | |
| At 1 April 2021 | 824 | - | 2,631 | 3,455 |
| Charge for the year | 459 | 1,065 | 1,593 | 3,117 |
| At 31 March 2021 | <u>1,283</u> | <u>1,065</u> | <u>4,224</u> | <u>6,572</u> |
| Net book value | | | | |
| At 31 March 2021 | <u>1,010</u> | <u>3,289</u> | <u>2,689</u> | <u>6,988</u> |
| <i>At 31 March 2021</i> | <u>1,469</u> | <u>-</u> | <u>4,282</u> | <u>5,751</u> |

14. Debtors

| | 2022 £ | 2021 £ |
|--------------------------------|--------------|--------------|
| Due within one year | | |
| Trade debtors | 996 | 557 |
| Other debtors | - | 380 |
| Prepayments and accrued income | 1,023 | 2,065 |
| | <u>2,019</u> | <u>3,002</u> |

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. Creditors: Amounts falling due within one year

| | 2022 | <i>2021</i> |
|------------------------------------|---------------|--------------|
| | £ | £ |
| Trade creditors | 8,476 | <i>4,918</i> |
| Other taxation and social security | 1,105 | <i>170</i> |
| Pension fund loan payable | 611 | <i>-</i> |
| PAYE and NIC | 1,414 | <i>-</i> |
| Accruals and deferred income | 2,400 | <i>4,800</i> |
| | 14,006 | <i>9,888</i> |

16. Financial instruments

| | 2022 | <i>2021</i> |
|--|----------------|----------------|
| | £ | £ |
| Financial assets | | |
| Financial assets measured at fair value through income and expenditure | 131,759 | <i>125,696</i> |

Financial assets measured at fair value through income and expenditure comprise of cash at bank and in hand.

17. Related party transactions

During the year Test Valley Arts Foundation Limited received receipts of £nil (2021: £457) on behalf of Chapel Arts Studios and incurred payments on behalf of Chapel Arts Studios of £nil (2021: £1,397), the transactions have been recorded through the balance sheet and the amount owed by Test Valley Arts Foundation Limited at the year end is £nil (2021: £nil).

18. Controlling party

The Company was controlled throughout the period and the previous by the Trustees, by virtue of the powers afforded to them by the Memorandum and Articles of Association.

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2021 £ |
|------------------------------------|---------------------------------|----------------|------------------|--------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Community space fund | - | - | - | 50,000 | 50,000 |
| General funds | | | | | |
| General Funds - all funds | 124,561 | 157,155 | (161,136) | (50,000) | 70,580 |
| Total Unrestricted funds | 124,561 | 157,155 | (161,136) | - | 120,580 |
| Restricted funds | | | | | |
| Simply Health - Second nature fund | - | 7,800 | (1,620) | - | 6,180 |
| Total of funds | 124,561 | 164,955 | (162,756) | - | 126,760 |

Restricted funds

Simply Health - for funding social prescribing program. A workshop was offered for local over 60s that were impacted by Covid restrictions, isolation and ill health

Designated funds

Community space project - funds set aside for providing community workshops, exhibitions and subsidised artist studios

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 May 2020 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Balance at 31 March 2021 £</i> |
|---------------------------|--|-----------------------|--------------------------|---|
| Unrestricted funds | | | | |
| General Funds - all funds | <u>89,504</u> | <u>154,026</u> | <u>(118,969)</u> | <u>124,561</u> |
| Restricted funds | | | | |
| Themes of life project | <u>1,282</u> | <u>-</u> | <u>(1,282)</u> | <u>-</u> |
| Total of funds | <u><u>90,786</u></u> | <u><u>154,026</u></u> | <u><u>(120,251)</u></u> | <u><u>124,561</u></u> |

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

20. Summary of funds

Summary of funds - current year

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2021 £ |
|------------------|---------------------------------|----------------|------------------|--------------------------|-------------------------------------|
| Designated funds | - | - | - | 50,000 | 50,000 |
| General funds | 124,561 | 157,155 | (161,136) | (50,000) | 70,580 |
| Restricted funds | - | 7,800 | (1,620) | - | 6,180 |
| | <u>124,561</u> | <u>164,955</u> | <u>(162,756)</u> | <u>-</u> | <u>126,760</u> |

Summary of funds - prior year

| | Balance at 1 May 2020 £ | Income £ | Expenditure £ | Balance at 31 March 2021 £ |
|------------------|-------------------------------|----------------|------------------|-------------------------------------|
| General funds | 89,504 | 154,026 | (118,969) | 124,561 |
| Restricted funds | 1,282 | - | (1,282) | - |
| | <u>90,786</u> | <u>154,026</u> | <u>(120,251)</u> | <u>124,561</u> |

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | - | 6,988 | 6,988 |
| Current assets | 6,180 | 127,598 | 133,778 |
| Creditors due within one year | - | (14,006) | (14,006) |
| Total | <u>6,180</u> | <u>120,580</u> | <u>126,760</u> |

CHAPEL ARTS STUDIOS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2021 £</i> | <i>Total funds 2021 £</i> |
|-------------------------------|--|---------------------------------------|
| Tangible fixed assets | 5,751 | 5,751 |
| Current assets | 128,698 | 128,698 |
| Creditors due within one year | (9,888) | (9,888) |
| Total | <u>124,561</u> | <u>124,561</u> |

22. Pension scheme

The charity operates a defined contribution pension scheme. During the year the charity contributed £1,676 (2021 - £212).