



Company Number: 1158819
Registered Charity Number: 267043

Wac Arts
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

For the year to
30 September 2023

Wac Arts

Consolidated Financial Statements For the year to 30 September 2023

Contents:

Wac Arts Administrative Information	3
Structure, Governance and Management	4
Trustee Recruitment, Induction and Training	4
Mission and Activities	5
Values	6
Strategic Report	6
Financial Review	8
Risk Management	9
Looking to the Future	10
Board of Trustees' Responsibilities	10
Independent Auditor's Report to the Members of Wac Arts	12
Consolidated Statement of Financial Activities	15
Charity Statement of Financial Activities	16
Consolidated and Charity Balance Sheets	17
Consolidated Cash Flow Statement	18
Notes to the Financial Statements	19

Wac Arts

Consolidated Financial Statements For the year to 30 September 2023

Wac Arts Administrative Information

The Trustees are pleased to present their report together with the financial statements of the charity for the year to 30 September 2023.

Reference and Administrative Details

These are the consolidated accounts for Wac Arts and The Hamden Trust, both companies and charities. In this report we refer to them as (the "Charity"). Consolidated accounts are prepared to reflect the substance of the two charities working together as one over the legal form of two independent charitable companies with trustees in common.

Charity number:	Wac Arts: 267043	The Hamden Trust: 1045440
Company number:	Wac Arts: 1158819	The Hamden Trust: 03036627
Principal & registered Office:	The Old Town Hall 213 Haverstock Hill London NW3 4QP	
Auditors:	Knox Cropper LLP 65 Leadenhall Street London EC3A 2AD	
Bankers:	Co-operative Bank Plc Islington Branch Islington High Street London N1 9TR	

Trustees

The directors of both charitable companies (Wac Arts and the Hamden Trust) are their Trustees for the purpose of charity law and throughout this report are referred to collectively as (the "Trustees") and (the "Board"). They are also the members of both charities. Trustees and management serving during the period and since the year end:

Chair:	Justina Cruickshank
Elected trustees:	Nicola Clements Justina Cruickshank Dorota Dominiczak Margaret Gorman Swagata Ganguly Leah Hurst (retired 20 January 2023) Christine Kinnear (retired May 2023) Lao Lee Martin Summersgill Aradhna Tayal
Chief Executive:	Darius Khwaja (resigned 9 March 2023) Glenn Middleditch (Interim, appointed 9 March 2023) Bhuvan Sharma (appointed October 2023)

Structure, Governance and Management

Organisational Structure

The Board sets the strategic direction for the Charity and measures progress against objectives. The Board meets quarterly as does the supporting Finance Committee. Terms of Reference for committees of the Board are approved by the Board.

Governance

Both Wac Arts and The Hamden Trust are companies limited by guarantee each governed by its Memorandum and Articles of Association. They are registered as charities with the Charity Commission. The members of the charities are the Chair and the elected Trustees, of which there were eight serving at the period end.

Management

The Chief Executive (CE) is appointed by the Board to deliver the Charity's work. The other key role during the year was Chief Operating Officer. The Chief Executive and Chief Operating Officer comprise the Senior Leadership team. This team are supported by Counterculture LLP for strategic financial director-level advice and several key staff namely the Head of Learning and Participation, Head of Property Management, Head of Administration, Outreach Manager, Finance Manager and Senior Development Manager. All staff recruitment is done by open advertising with interviews conducted by appropriately skilled and experienced panels. Interview panels include Trustees and external industry specialists where appropriate.

Key Management Personnel Remuneration Policy

Wac Arts is committed to ensuring that staff are paid fairly and consistently. The Charity's pay policy seeks to balance the need to attract and retain suitably experienced individuals to ensure it provides the greatest public benefit in delivering its charitable objectives, with what the Charity can reasonably afford. Pay is positioned relative to other similar organisations.

Remuneration for the CE is set by the Board. Remuneration for all other staff is presented to the Finance Committee in the annual budget and subject to scrutiny, is recommended to the Board for approval. No member of staff is involved in determining his or her own remuneration.

Annual pay awards are not a contractual requirement. They are considered in relation to the organisation's financial position, performance and sector benchmarking.

Trustee Recruitment, Induction and Training

Recruitment and Election of Trustees

The Board of Trustees periodically reviews the skill sets it includes to identify gaps, if any, in the Board with a view to considering the potential for recruiting new Trustee(s). Advertising schedules look to reach the broadest potential group of interested candidates, with interviews and recommendations being made to the Board by the Chair and Vice Chair, supported by additional panel members as appropriate.

All Trustees are elected as the members and directors (co-terminus) of the Charity. Board members are appointed with the expectation they will serve for at least three years and normally for two terms. In exceptional circumstances, Trustees may serve a maximum of three terms (nine years).

Trustee Induction & Training

New Trustees undergo an orientation meeting with the Chair and a briefing with the Chief Executive and Chief Operating Officer. They can attend activities and meet a selection of beneficiaries. They are provided with a Board induction pack including copies of the Memorandum and Articles of Association, Committee Terms of

Wac Arts

Consolidated Financial Statements For the year to 30 September 2023

Reference and decision-making processes, the organisation structure, the Business Plan and the recent financial performance of the Charity. All Trustees receive training in Safeguarding and Unconscious Bias. Trustees are expected to attend events presenting the Charity's work.

Related Parties

Wac Arts and Hamden Trust are sister charities. Trustees of Wac Arts are also Trustees of The Hamden Trust. Although The Hamden Trust shares Wac Arts' passion for supporting groups in society who face barriers to opportunity, its primary role is to conserve and enhance its historic building and encourage educational work to celebrate our heritage.

Mission and Activities

Charitable Objects

Wac Arts' charitable objects may be summarised as the provision and development of activities which seek to make the arts relevant and available to the public, the provision of activities to improve the lives of people who may be disadvantaged, the provision of support for other organisations, and the promotion of citizenship and community development.

The six-year strategy to 2020-26 sets out the following high-level objectives:

1. Produce innovative artistic work that expresses the positive voice of contemporary Britain
2. Connect people to high-quality opportunities and work to reduce persistent inequality in our society
3. Become a recognised hub for organisations that share our objects, aims and values
4. Grow the number of annual beneficiaries from hundreds to many thousands
5. Professionalise every aspect of what we do to deliver inspirational arts activities, locally and nationally

Mission: Empowering Young People to Change their World through the Arts

Wac Arts believes in the infinite power of the arts to unleash the extraordinary potential of young people.

The Charity believes that:

- Every young person, regardless of background, has the right to experience the arts
- The arts are transformational and help people fulfil their potential in life
- Experience of the arts can build confidence, self-esteem and help people overcome great difficulties
- Every young person has talent in some form

The Charity seeks to:

- Create a safe and highly accessible environment
- Celebrate individuality and everyone's unique journey
- Nurture potential through the power of the arts
- Build self-esteem, confidence and provide young people with a community
- Provide an environment for life-long learning

Creating a centre of excellence for the arts for young individuals who most need it.

Wac Arts has worked with generations of young people for over 45 years, empowering them with the life skills the arts can offer. From its base at the Grade 2 listed Old Town Hall in Belsize Park, the Charity delivers programmes for young people who face barriers to opportunity and provides a range of additional activities and services to the community.

Wac Arts

Consolidated Financial Statements For the year to 30 September 2023

Values

The Charity's values provide a framework for its activities and reflects how it aims to work as an organisation:

- Innovation
- Equality
- Empowerment
- Excellence
- Love

Strategic Report

Overview 2022-23

The year 2022-23 has seen the organisation continue to work through its '*build and test*' phase as the charity built upon its 6-year business plan drafted in previous years.

Through better controls over its operations, improvements in program planning, higher earned income than forecasted and savings in salary costs owing to staff turnover, the organisation improved its financial performance and generated a surplus that resulted in the continued inflation of its free reserves as compared with previous years.

2022-23 saw the charity continue meeting its charitable objectives in providing affordable performing, creative and digital arts opportunities for children and young people. We engaged more than 1,478 children and young people and provided them with safe spaces to learn new skills, express their creativity and build friendships.

We stayed committed to working with those who would otherwise face barriers to participation in the arts. This year 17% of participants on our onsite Learning and Participation projects identified as having a disability, 50% came from global majority backgrounds, and 32% live in areas of deprivation

In terms of governance, 2022-23 saw the Board conduct a review of its charity practices with BDB Pitmans LLP, while creating a new trustee role for specially for a young person to ensure youth voice contributes to the governance of the charity.

The end of the year saw a change in leadership, with new Chief Executive, Bhuvan Sharma joining the organisation in September 2023. A key part of the Chief Executive's role would be to now further refine the direction of travel for the organisation as it responds to the learnings and key takeaways from this year and the current strategy in place which see the Charity delivering new creative activities, such as *outreach* and an expanded holiday provision.

Overview of Activity

1 Arts Programme

The Charity provides a multi-disciplinary year-round arts programme for children and young people, providing activities exploring the performing arts (dance, musical theatre, drama), music and digital arts (animation and film production). 2022/23 saw greater participation numbers than the previous year, as the organisations reach continues to grow.

Wac Arts

Consolidated Financial Statements For the year to 30 September 2023

Arts Programme Participants	FY2023	FY2022	FY2021
Learning and Participation	559	603	436
Outreach	919	500	124
Total	1,478	1,103	560

Learning and Participation:

Weekly Classes and Holiday Clubs:

The Charity continued to provide subsidised affordable classes during evenings and weekend, as well as an enhanced summer school offer. Alongside an expanded holiday provision, the charity introduced young companies for acting and dance.

The Young Company gave opportunities to young adults to work in particular arts forms at an advance level. for example, the young actors company worked on a full-length play, developing essential skills such as ensemble work and team building, sight reading, and script analysis. The first young actors company and young dancers company sharing took place in July 2023 at Arts Depot.

Special Educational Needs Provision

The charity continues to expand on its experience in supporting children and young people with SEN/D requirements through:

- Wac Nites evening programme continued to offer arts-based classes for children and young people with mild to moderate SEN/D needs. New weekly offer for young people who are 9–12-year-old was introduced (*Spark*) to support the existing classes for those from the age of 13-17 years (*Ignite*) and 18-30 years (*Urban Motivation*).
- The Charity continued its work to deliver Short Breaks activities for the London Borough of Camden having successfully won a new 3-year contract to provide services for families of children with disabilities (from April 2022). The contract includes an option to be extended to 5 years.
- The Charity started a 1-year 'Independent Living Hub' pilot project (from April 2023) in partnership with the London Borough of Camden and Department of Education for those aged 14 – 25 with mild to moderate SEN/D needs.

Outreach

The Charity has continued its investment to enhance its capacity to deliver arts offerings outside of its location in Belsize Park working with schools, youth and community settings across London and in new regions outside of London with high levels of deprivation and need.

The Charity delivered workshops in schools, colleges and youth groups offering opportunities for creative self-expression, as participants developed dance, drama and animation techniques, while exploring the curriculum including but not limited to Arts and Culture, STEM, Creative Writing and Health & Wellbeing.

More than 1,000 engagement opportunities were provided, engaging 919 unique young participants, of which 886 were new to Wac Arts. Activity was delivered in schools in Camden, Islington, Ealing, Harrow, Hammersmith & Fulham, and Westminster, as well as outside of London, visiting schools in Hartlepool and Norfolk.

Wac Arts

Consolidated Financial Statements For the year to 30 September 2023

2 Wac Arts' Building

The Charity continued to attract tenants from the creative sector organisations and charities in line with its charitable objectives. The earned income exceeded expectations against forecasts when it came to hires and leasehold.

In April 2023 a new Head of Property Management was recruited to improve building management and help build better relationships with those who use our spaces in both the short term (space hire) and long term (short lease and tenancies). A key objective of the role is also to manage the sales division within the organisation, ensuring the charity continues to stay aligned with its earned income projections.

3 Development

The Charity continues to raise funds from a wide variety of trusts, foundations, statutory bodies, corporations, and individuals. Our thanks to all those who have chosen to support us, including; Addison Youth, Aldenham Club Trust, Camden Council, D'Oyly Carte Charitable Trust, Enterprise Arts Trust, Foyle Foundation, Jack Petchey Foundation, John Lyon's Charity, London Youth, Mackintosh Foundation, The Greater London Authority, The Mercers' Company, The Childhood Trust, Young Camden Foundation as well as all those who prefer to give anonymously.

Key Development Achievements

1. Receiving continued core and project support from the John Lyon's Charity, helping to refine and develop the London Outreach offer. .
2. Securing a £35,000 capital grant to kickstart the Arts Block refurbishments.
3. Participating and engaging individual supporters in the third annual instalment of the The Childhood Trusts' Champions for Children matched funding campaign.
4. Re-launching the Challenge Event fundraising activities, engaging more than 12 individual fundraisers to participate in activity raising more than £5,000.

Fundraising Regulation

The Charity complies with the Fundraising Regulator's Code of Fundraising Practice and with Charity Commission Guidance. The Charity has robust policies in place regarding vulnerable people and treating donors fairly. Wac Arts does not use third parties to undertake any fundraising activities.

The Charity received no complaints relating to its fundraising activities during 2022/23.

Financial Review

The accounts show a £36k surplus (2022: £47k) on unrestricted funds, which represents a continued stabilisation of the financial position. Wac Arts' principal sources of income continued to be the provision of services to Camden Council for disabled young people, lettings of its premises at the Town Hall, fundraising, and fees for artistic activities provided. The surplus was achieved through continued success in building income and good cost management during the financial year.

The consolidated results of Wac Arts and The Hamden Trust report a £123k deficit (2022: £117k deficit) in total funds during the year, of which £180k (2022: £180k) was a deficit relating to Hamden Trust mainly reflected by depreciation charges on building improvement costs financed by restricted funds accumulated within the Hamden Trust for this purpose in previous years.

The surplus has helped to improve unrestricted reserves to £351k. Charity funds are distinguished between unrestricted and restricted funds in line with the accounting policy definitions (note 1j). The financial health of

Wac Arts

Consolidated Financial Statements For the year to 30 September 2023

the charity is considered mainly in the context of the charity's own funds, i.e., unrestricted funds. The term "free reserves" refers to unrestricted funds less fixed assets in order to describe the funds which are readily available to the charity. Free reserves were £16k negative (2022: £45k negative), which represented an improvement in year, and is in line with Business Plan target for positive free reserves to be achieved in FY23/24. This continued the progress in stabilising the financial position in recent years, as summarised below:

	18/19 £	19/20 £	20/21 £	21/22 £	22/23 £
Unrestricted Surplus/(Deficit)	(185,903)	57,338	61,467	46,921	36,261
Unrestricted Reserves	148,584	205,922	267,389	314,310	350,571
Free Reserves (standard definition)	(184,288)	(139,823)	(64,415)	(45,124)	(15,754)

The figures above highlight an improvement of £201k (136%) in unrestricted funds and £168k (91%) in free reserves over the last 4 years.

Wac Arts is committed to a phased building of reserves to a level equivalent to three months' running costs (approximately £323k, based on forecast FY23/24 non-programme expenditure). Until this is achieved, the Charity is working to a cash target using long term loans to maintain cash reserves above this level. At 30 September 2023, the Charity's cash balance was £617k, which was ahead of this interim target.

Loan balances at the end of the year were £k (of which £470k is long term), from:

- Triodos: £164k (2022: £185k) outstanding from a 10 year loan secured in 2018/19 to provide working capital to assist with the development of IOWA project.
- CBILS: £356k (2022: £382k) outstanding from loan drawn down in January 2021 to provide working capital to enable the Charity to manage through a period of anticipated income reductions resulting from the Coronavirus pandemic. This is repayable over a 6-year period.

The Charity intends to review opportunities for potential early settlement of its long-term loans as circumstances allow, and intends to maintain its recent trajectory towards greater financial stability through continued careful budgeting and financial management.

Trustees have considered emerging macroeconomic risks, including inflation, though its budgeting and reforecasting processes.

Risk Management

The Trustees' risk management strategy comprises:

- a review at least annually of the risks the charity mayface
- a quarterly review by Management with update to the Finance Committee and any changes reported to the Board
- the establishment of systems and procedures to mitigate those risks identified in the review
- the implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise

This strategy has ensured risks are identified and discussed at an early stage, enabling appropriate management and mitigation arrangements to be put in place.

At present, the charity does not have any risks that might impact the charity as a going concern.

**Consolidated Financial Statements
For the year to 30 September 2023**

Looking to the Future

The Year Ahead

The Charity will continue to build on the achievements from 2022-23, with the ambition to stay on course towards a positive free reserves position in the near future. The Charity shall also review opportunities for potential early settlement (either in partial or full) of its long-term loans, on the back of continued financial success.

The Arts Programme will continue to be at the core of the organisation. Alongside its evening and weekend classes, the focus on outreach and holiday provisions as per current strategy shall continue as per the business plan in place.

With the new Chief Executive starting in their role in the beginning of 2023-24, the organisation will take the year ahead as an opportunity to review its current business plan and analyse key takeaways from its *'build and test'* phase against the charitable objectives. This shall ensure the Charity continues to respond to the evolving landscape of the arts and the wider charitable sector. With the ambition to strengthen the synergy between the mission, vision, purpose of the organisation, its charitable objectives and its actions, the charity will accordingly develop a refined short to medium term strategy from 2024-25 onwards.

Board of Trustees' Responsibilities

Company law requires the Trustees to prepare financial statements for each financial year. 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 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 charity and of the profit or loss of the charity 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;
- 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue on that basis.

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

In accordance with company law, each of the persons who are Trustees at the time when this report is approved has confirmed that:

- (a) so far as each Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- (b) each Trustee has taken all the steps that ought to have been taken as a Trustee, including making appropriate enquiries of fellow directors and the charity's auditors for that purpose, in order to be aware

Wac Arts

Consolidated Financial Statements For the year to 30 September 2023

of any information needed by the charity's auditors in connection with preparing their report and to establish that the charity's auditors are aware of that information.

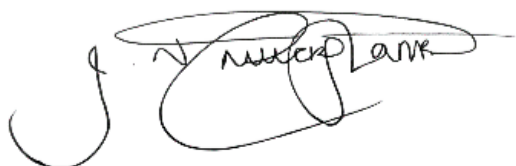
The members each agree to contribute an amount not exceeding £10 to the assets of the charity in the event of it being wound up whilst a member and for one year after ceasing to be a member. The amount of these guarantees at 30 September 2023 was £100 (2022: £70).

Trustees have no beneficial interest in the charity and are not remunerated.

Statement on Public Benefit

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit published by the Charity Commission in determining the activities undertaken by the charity. The identifiable benefits are set out in this report as are the aims of the Charity and the beneficiary groups.

This report, which incorporates the Strategic Report, was approved by the Board of Trustees and signed on its behalf on 11 June 2024 by:

A handwritten signature in black ink, appearing to read 'Justina Cruickshank', written over a horizontal line.

Justina Cruickshank
Chair

Independent Auditor's Report to the Members of Wac Arts

Opinion

We have audited the financial statements of WAC Arts (the 'parent charity') and its subsidiary ('the group') for the year ended 30 September 2023 which comprise the consolidated and charity Statements of Financial Activities (including the Income and Expenditure Account), the consolidated and charity Balance Sheets, consolidated statement of cash flows and the 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 30 September 2023 and of the group and parent charity income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 charitable company'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 other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Consolidated Financial Statements for the year to 30 September 2023

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, included within the Trustees' Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are Required to Report by Exception

In the light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group's and parent 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 group or parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- We identified and focused on the laws and regulations applicable to the charity through discussions with management, and from our knowledge and experience of the sector.
- We gained an understanding of how the charitable company complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures, and controls.
- The audit team, which is experienced in the audit of charitable companies, considered the charitable company's susceptibility to material misstatement and how fraud may occur. These included risks associated with revenue recognition, application of accounting estimates, management override of controls and the monitoring of beneficiaries.

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

- Our approach was to check that all income was properly identified and accounted for and to ensure that only valid and appropriate expenditure was charged, especially to restricted funds. This included reviewing journal adjustments and unusual transactions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Knox Cropper LLP

Simon Goodridge (Senior Statutory Auditor)
For and on behalf of Knox Cropper LLP (Statutory Auditor)
65 Leadenhall Street
London EC3A 2AD

Date: 18 June 2024

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

Consolidated Statement of Financial Activities

	Note	Restricted 2023 £	Unrestricted 2023 £	Total 2023 £	Total 2022 £
Income from:					
Grants and donations	2	193,122	59,396	252,518	250,491
Charitable activities		484,484	1,124,391	1,608,875	1,427,360
Other income		-	6,211	6,211	8,835
Investment income		-	5,861	5,861	197
Total income		<u>677,606</u>	<u>1,195,859</u>	<u>1,873,465</u>	<u>1,686,883</u>
Expenditure on:					
Charitable activities:					
Service and projects expenditure	3	833,230	662,212	1,495,442	1,346,699
Centre management	3	4,110	497,386	501,496	456,968
Total expenditure	3	<u>837,340</u>	<u>1,159,598</u>	<u>1,996,938</u>	<u>1,803,667</u>
		(159,734)	36,261	(123,473)	(116,784)
Transfers between funds	12	-	-	-	-
Net Movement of Funds		<u>(159,734)</u>	<u>36,261</u>	<u>(123,473)</u>	<u>(116,784)</u>
Reconciliation of funds					
Funds at 1 October 2022		5,998,204	314,310	6,312,514	6,429,298
Funds at 30 September 2023	12	<u>5,838,470</u>	<u>350,571</u>	<u>6,189,041</u>	<u>6,312,514</u>

All of the charity's activities are classed as continuing. All recognised gains and losses are shown above. The comparative year's Statement of Financial Activities is included in note 20.

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

WAC Arts Statement of Financial Activities

	Note	Restricted 2023 £	Unrestricted 2023 £	Total 2023 £	Total 2022 £
Income from:					
Grants and donations	2	193,122	59,396	252,518	250,491
Charitable activities		484,484	1,124,391	1,608,875	1,427,360
Other income		-	6,211	6,211	8,835
Investment income		-	5,861	5,861	197
Total income		<u>677,606</u>	<u>1,195,859</u>	<u>1,873,465</u>	<u>1,686,883</u>
Expenditure on:					
Charitable activities:					
Service and projects expenditure	3	656,953	662,212	1,319,165	1,170,420
Centre management	3	-	497,386	497,386	453,669
Total expenditure	3	<u>656,953</u>	<u>1,159,598</u>	<u>1,816,551</u>	<u>1,624,089</u>
		20,653	36,261	56,914	62,794
Transfers between funds	13	-	-	-	-
Net Movement of Funds		<u>20,653</u>	<u>36,261</u>	<u>56,914</u>	<u>62,794</u>
Reconciliation of funds					
Funds at 1 October 2022		<u>63,357</u>	<u>314,310</u>	<u>377,667</u>	<u>314,873</u>
Funds at 30 September 2023	13	<u>84,010</u>	<u>350,571</u>	<u>434,581</u>	<u>377,667</u>

All of the charity's activities are classed as continuing. All recognised gains and losses are shown above. The comparative year's Statement of Financial Activities is included in note 21.

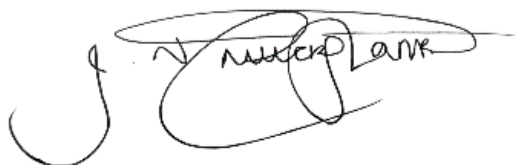
Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

Consolidated and Charity Balance Sheets Company Number: 1158819

		30 September 2023	30 September 2022		
	Note	Group £	Wac Arts £	Group £	Wac Arts £
Tangible fixed assets	6	6,198,677	448,438	6,349,308	422,791
Non-Current Assets					
Amount due from Related Charity	7	-	3,799	-	263
Current Assets					
Debtors	8	266,948	266,948	354,680	354,680
Cash at bank and in hand		629,152	617,596	602,783	591,189
		<u>896,100</u>	<u>884,544</u>	<u>957,463</u>	<u>945,869</u>
Creditors, amounts falling due Within one year	9	(435,840)	(432,304)	(477,070)	(474,069)
Net Current Assets/(Liabilities)		<u>460,260</u>	<u>452,240</u>	<u>480,393</u>	<u>471,800</u>
Creditors, amounts falling due After more than one year	11	(469,896)	(469,896)	(517,187)	(517,187)
	14	<u>6,189,041</u>	<u>434,581</u>	<u>6,312,514</u>	<u>377,667</u>
Funds					
Restricted funds	1(j), 12, 13	5,838,470	84,010	5,998,204	63,357
Unrestricted funds	1(j), 12, 13	350,571	350,571	314,310	314,310
		<u>6,189,041</u>	<u>434,581</u>	<u>6,312,514</u>	<u>377,667</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 11th June 2024 and signed on its behalf by



Justina Cruickshank – Chair

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

Consolidated Cash Flow Statement

	2023 £	2022 £
Net cash (outflow)/inflow from operating activities		
Net movement in funds	(123,473)	(116,784)
Investment income	(5,861)	(197)
Interest payable	41,274	19,231
Depreciation	232,356	212,358
Disposal of fixed assets	2,790	-
(Increase)/ Decrease in debtors	87,732	(136,030)
(Decrease) in creditors	(41,874)	99,857
	<u>192,944</u>	<u>78,435</u>
Net cash (used in)/provided by operating activities		
Cash flow from investing activities		
Investment income	5,861	197
Purchase of tangible fixed assets	(84,515)	(79,583)
	<u>(78,654)</u>	<u>(79,386)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Cash inflows from new borrowing	-	-
Loan repayments	(46,647)	(60,312)
Interest paid	(41,274)	(19,231)
	<u>(87,921)</u>	<u>(79,543)</u>
Net cash used in financing activities		
Net change in cash and cash equivalents in the year	26,369	(80,494)
Cash and cash equivalents at the beginning of the year	602,783	683,277
	<u>629,152</u>	<u>602,783</u>
Cash and cash equivalents at the end of the year		
	<u><u>629,152</u></u>	<u><u>602,783</u></u>
Analysis of cash and cash equivalents		
Cash at bank	629,152	602,783
	<u>629,152</u>	<u>602,783</u>

Analysis of changes in net debt:

	At 30 Sept 2022	Cash flows	At 30 Sept 2023
Cash and cash equivalents	602,783	26,369	629,152
Borrowings:			
Debt due within one year	(50,147)	(644)	(50,791)
Debt due after one year	(517,187)	47,291	(469,896)
	<u>(567,334)</u>	<u>46,647</u>	<u>(520,687)</u>
Total	<u>35,449</u>	<u>73,016</u>	<u>108,465</u>

Consolidated Financial Statements for the year to 30 September 2023

Notes to the Financial Statements

1. Accounting Policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The format of the financial statements has been presented to comply with the Companies Act 2006, FRS102 *The Financial Reporting Standard applicable in the UK and Ireland* and the Statement of Recommended Practice *Accounting and Reporting by Charities* (FRS102 SORP second edition). Figures are presented in sterling and rounded to the nearest pound. The Charity is a Public Benefit Entity as defined by FRS102.

These financial statements include the results, assets and liabilities of the main charity, Wac Arts, together with its subsidiary, The Hamden Trust (company number 03036627). The Net Movement in Funds of the Parent was a surplus of £56,915.

(b) Basis of Consolidation

The Statement of Financial Activities, Balance Sheet and Cashflow Statement consolidate the results of the two sister charities, WAC Arts and Hamden Trust. The entities have several Trustees in common and agree that although there is no direct control of one over the other, because the charities work together as one entity consolidation is appropriate to reflect substance over form.

(c) Going concern

The Trustees consider that there are no material uncertainties which would cast doubt on the Group's ability to continue as a going concern based on consideration of a range of information presented to the Finance Committee. This has included cashflow forecasts, budget plans for 2023/24, management forecasts (both in year and medium term), and associated papers (including Development Team reports) in year, and business plan updates. Trustees have also reviewed a financial risk register during the year, and considered how emerging macroeconomic risks including inflation are managed through budgeting and reforecasting processes. The free reserves position of the Charity and Group has also been monitored against the targets set in the long term business plan, via finance committee papers to inform the view that the Charity and Group remain a going concern.

(d) General information

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 1158819) and a charity registered in England and Wales (charity number: 267043). The registered office is The Old Town Hall, 213 Haverstock Hill, London NW3 4QP.

(e) Significant judgements and estimation uncertainty

In preparing these financial statements the trustees have had to make estimates and assumptions that affect the amounts recognised in these financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Key areas subject to judgement and estimation are as follows:

Fixed asset depreciation. Judgement is applied when assigning anticipated average lives to the fixed assets of the charity.

(f) Income

Income is included in the statement of financial activities when the Charity is entitled to the income, its receipt is probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of donations and gifts and are recognised when receivable or when the Charity becomes legally entitled to them and receipt is probable and they can reasonably be measured in financial terms.

Fee income (from sales, room hire and training services), investment income, including interest receivable, and other miscellaneous income are accounted for on a receivable basis.

Consolidated Financial Statements for the year to 30 September 2023

Revenue grants are credited to the Statement of Financial Activities when receivable, unless they relate to a specified future or prior period, in which case they are deferred or accrued respectively. Grants received specifically for the purchase of fixed assets are credited to restricted funds when received.

(g) Expenditure

Costs of charitable activities consist of all expenditure directly relating to the objects of the Charity. Support costs which cannot be directly allocated are apportioned between charitable activities and governance costs on the basis of the Trustee's estimate of the time spent on the relevant functions. Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

Governance costs include expenditure on management and compliance with constitutional and statutory requirements. Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Support costs, which are attributable to more than one activity, are apportioned across cost categories on a basis consistent with the use of resource.

(h) Fixed assets

Individual fixed assets costing £500 or more are capitalised at cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life as follows:

Studio equipment	50% straight line
Land	Not depreciated
Programme content	33.3% straight line
Fixtures and fittings	25% straight line
Computer equipment	25% straight line
Solar Panels, flooring, pipes & ventilation	10% straight line
Lifts & structural maintenance (including roof)	5% straight line
Fire panel	5% straight line
Leasehold buildings	2% per annum
Improvement to properties -	Straight line over the shorter of
	- the term of the lease, or
	- 2% per annum
Artwork	Not depreciated

(i) Financial instruments

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

(j) Leased assets

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance lease are capitalised as fixed assets. Obligations under such agreements are included in creditors. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

(k) Fund accounting

Restricted funds – these are funds which 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.

Unrestricted funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

(l) Pensions

This year the Trust has made available pensions for all qualifying staff in order to comply with the government's auto enrolment scheme regulations. Contributions to this defined contribution pension scheme are recognised as expenditure when they fall due.

2. Income from Grants and Donations: Wac Arts and Group

	Restricted Funds £	Unrestricted Funds £	Total 2023 £	Total 2022 £
Wac Arts (for 2022-23)				
Camden – Youth Committee	30,000	-	30,000	30,000
Individual Donations	12,000	33,896	45,896	40,385
Trusts and Foundations	151,122	25,500	176,622	180,106
	<u>193,122</u>	<u>59,396</u>	<u>252,518</u>	<u>250,491</u>

	Restricted Funds £	Unrestricted Funds £	Total 2021 £
Wac Arts (comparatives for 2021-22)			
Camden – Youth Committee	30,000	-	30,000
Individual Donations	14,500	25,885	40,385
Trusts and Foundations	157,606	22,500	180,106
	<u>202,106</u>	<u>48,385</u>	<u>250,491</u>

3. a Total Resources Expended: Wac Arts

	Service and Projects £	Centre Management £	Total 2023 £	Total 2022 £
Wac Arts (for 2022-23)				
Staff costs and tutor fees	915,073	222,592	1,137,665	987,449
Other direct costs	195,992	115,483	311,475	254,506
Audit fee	-	14,088	14,088	12,750
<i>Allocation of support costs:</i>				
General staff costs	4,749	10,584	15,333	32,787
Premises expenses	155,618	898	156,516	149,006
Depreciation	29,782	26,296	56,078	36,080
Insurance	16,841	11,678	28,519	45,443
Professional fee	1,110	57,003	58,113	84,679
Irrecoverable VAT	-	38,764	38,764	21,389
	<u>1,319,165</u>	<u>497,386</u>	<u>1,816,551</u>	<u>1,624,089</u>

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

Wac Arts (comparatives for previous year)	Service and Projects £	Centre Management £	Total 2022 £
Staff costs and tutor fees	775,677	211,772	987,449
Other direct costs	182,209	72,297	254,506
Audit fee	-	12,750	12,750
<i>Allocation of support costs:</i>			
General staff costs	12,387	20,400	32,787
Premises expenses	138,270	10,736	149,006
Depreciation	16,164	19,916	36,080
Insurance	22,463	22,980	45,443
Professional fee	23,250	61,429	84,679
Irrecoverable VAT	-	21,389	21,389
	<u>1,170,420</u>	<u>453,669</u>	<u>1,624,089</u>

3. b Total Resources Expended: Group

Group	Service and Projects £	Centre Management £	Total 2023 £	Total 2022 £
Staff costs and tutor fees	915,073	222,591	1,137,664	987,449
Other direct costs	195,992	116,057	312,049	254,655
Audit fee	-	17,624	17,624	15,900
<i>Allocation of support costs</i>				
General staff costs	4,749	10,584	15,333	32,787
Premises expenses	155,617	899	156,516	149,007
Depreciation	206,060	26,296	232,356	212,358
Insurance	16,841	11,678	28,519	45,443
Professional fee	1,110	57,003	58,113	84,679
Irrecoverable VAT	-	38,764	38,764	21,389
	<u>1,495,442</u>	<u>501,496</u>	<u>1,996,938</u>	<u>1,803,667</u>

Group (comparatives for previous year)	Service and Projects £	Centre Management £	2022 £
Staff costs and tutor fees	775,677	211,772	987,449
Other direct costs	182,209	72,446	254,655
Audit fee	-	15,900	15,900
<i>Allocation of support costs:</i>			
General staff costs	12,387	20,400	32,787
Premises expenses	138,270	10,737	149,007
Depreciation	192,443	19,915	212,358
Insurance	22,463	22,980	45,443
Professional fee	23,250	61,429	84,679
Irrecoverable VAT	-	21,389	21,389
	<u>1,346,699</u>	<u>456,968</u>	<u>1,803,667</u>

Support costs are allocated according to the proportion of staff time or floor space used by each activity.

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

4. a Staff costs and numbers

	2023 £	2022 £
Wages and salaries	1,050,196	899,838
Social security costs	69,740	70,702
Pension scheme contributions	17,728	16,909
	<u>1,137,664</u>	<u>987,449</u>

One employee received more than £60,000 (in the band £70k-£80k) during the year (2022 – one employee received more than £60,000 (£90k-£100k)).

The key management personnel consisted of the CEO and Chief Operating Officer/ Interim CEO in year. These staff received combined salary, benefits and pension contributions of £128,640 (2022: CEO and the Director of Development received £196,289).

The average number of persons employed during the year was 84 (2022: 67). There were 2 redundancies, receiving redundancy payments of £12,185 (2022: 2 receiving total redundancy payments of £18,813).

4. b Trustees Remuneration and Expenses – Wac Arts and Group

Trustees received no remuneration during the period (2022: nil).

No expenses were reimbursed during the period to any Members (2022: nil).

4. c Trustee Donations

All trustees donate to the charity. During the financial year 2022/23 total donations from trustees came to £5,360 (2022: £5,120).

5. Net movement on funds

	2023 Group £	Wac Arts £	2022 Group £	Wac Arts £
This is stated after charging:				
Depreciation (note 5)	232,356	56,078	212,358	36,080
Auditors' fees				
- For Audit Services	13,824	11,588	12,700	10,600
- For Non-Audit Services	3,800	2,500	3,200	2,150
	<u>249,980</u>	<u>69,078</u>	<u>228,258</u>	<u>48,830</u>

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

6. a Tangible Fixed Assets: Wac Arts

	Building Improv'm'ts £	Fire Panel £	Fixtures & Fittings £	Plant & Equipm't £	Lift £	Programme Content Development & Creation £	Total Wac Arts £
Cost							
At 1 October 2022	335,559	6,308	126,627	279,186	65,951	-	813,631
Additions	-	-	55,444	18,968	-	10,103	84,515
Disposals	-	-	-	(198,931)	-	-	(198,931)
At 30 Sept' 2023	335,559	6,308	182,071	99,223	65,951	10,103	699,215
Depreciation							
At 1 October 2022	33,572	315	110,524	241,174	5,255	-	390,840
Charge for period	6,711	316	19,702	22,717	3,298	3,334	56,078
Disposals	-	-	-	(196,141)	-	-	(196,141)
At 30 Sept' 2023	40,283	631	130,226	67,750	8,553	3,334	250,777
Net Book Value							
At 30 Sept' 2023	295,276	5,677	51,845	31,473	57,398	6,769	448,438
At 30 Sept' 2022	301,987	5,993	16,103	38,012	60,696	6,769	422,791

6. b Tangible Fixed Assets: Group

	Freehold Long Lease £	Long Leasehold Building £	Fire Panel £	Improvements, Artwork and Building £	Fixtures and Fittings	Lift £	Programme Content Development & Creation £	Total £
Cost								
At 1 October 2022	330,500	900,000	6,308	8,250,933	550,962	65,951	-	10,104,654
Additions	-	-	-	-	74,412	-	10,103	84,515
Disposals	-	-	-	-	(198,931)	-	-	(198,931)
At 30 Sept' 2023	330,000	900,000	6,308	8,250,933	426,443	65,951	10,103	9,990,238
Depreciation								
At 1 October 2022	-	329,727	315	2,923,202	496,847	5,255	-	3,755,346
Charge for period	-	18,000	316	164,989	42,419	3,298	3,334	232,356
Disposals	-	-	-	-	(196,141)	-	-	(196,141)
At 30 Sept' 2023	-	347,727	631	3,088,191	343,125	8,553	3,334	3,791,561
Net Book Value								
At 30 Sept' 2023	330,000	552,273	5,677	5,162,742	83,318	57,398	6,769	6,198,677
At 30 Sept' 2022	330,500	570,273	5,993	5,327,731	54,115	60,696	-	6,349,308

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

7. Non-current Asset – Amount due from Related Charity

The non-current asset of £3,799 (2022: £263) relates to amounts due from Hamden Trust.

8. Debtors

	2023		2022	
	Group	Wac Arts	Group	Wac Arts
	£	£	£	£
Trade debtors	198,321	198,321	285,193	285,193
Other debtors	-	-	2,844	2,844
Prepayments and accrued income	68,627	68,627	66,643	66,643
	<u>266,948</u>	<u>266,948</u>	<u>354,680</u>	<u>354,680</u>

9. Creditors: amounts falling due within one year

	2023		2022	
	Group	Wac Arts	Group	Wac Arts
	£	£	£	£
Trade creditors	82,008	82,008	68,923	68,923
Taxation and social security	70,165	70,165	65,871	65,871
Grants in advance	-	-	900	900
Loan from Triodos Bank	22,279	22,279	22,461	22,461
CBILS Loan	28,512	28,512	27,686	27,686
Other creditors and accruals	34,736	31,200	52,801	49,800
Deferred income (Note 10)	198,140	198,140	238,428	238,428
	<u>435,840</u>	<u>432,304</u>	<u>477,070</u>	<u>474,069</u>

10. Deferred income

	2023		2022	
	Group	Wac Arts	Group	Wac Arts
	£	£	£	£
Balance at 1 October 2022	238,428	238,428	70,861	70,861
Amount released to incoming resources	(238,428)	(238,428)	(70,861)	(70,861)
Amount deferred in the year	198,140	198,140	238,428	238,428
	<u>198,140</u>	<u>198,140</u>	<u>238,428</u>	<u>238,428</u>
Balance at 30 September 2023	<u>198,140</u>	<u>198,140</u>	<u>238,428</u>	<u>238,428</u>

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

	2023	2022
	£	£
Due between 1 and 2 years	53,805	51,592
Due between 2 and 5 years	202,690	166,205
Due after 5 years	213,401	299,390
	<u>469,896</u>	<u>517,187</u>
Balance at 30 September 2023	<u>469,896</u>	<u>517,187</u>

The charity took a long term borrowing facility from Triodos Bank N.V. of £232,481 in 2019 to help the organisation manage its cashflow as it looked to initiate a capital project to re-develop the Old Town Hall on behalf of The Hamden Trust, a related charity. The loan is for a period of 10 years from the date of draw-down (25th August 2019) and is secured on the freehold property of 213 Haverstock Hill (the Old Town Hall). After a 12-month interest-only period, the loan is repayable in 228 consecutive monthly payments of capital and interest. Interest is payable at 4% over the Bank of England base rate.

In response to concerns on the impact of Covid-19, the charity applied for – and were awarded – a Coronavirus Business Interruption Loan Scheme (CBILS) loan. In February 2021, WAC Arts drew down £400,000 from The Cooperative Bank. The terms of the loan included a 12-month capital repayment holiday and agreement that the Secretary of State would cover any interest, fees and other charges for the first 12 months of the loan. After this initial period, repayments will be made over 60 consecutive months. An interest rate of 3.5% over the Bank of England base rate will be charged per annum.

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

12. Movement on funds	At 1 October 2022 £	Total Incoming Resources £	Total Resources Expended £	Transfers £	At 30 September 2023 £
Group					
Restricted Funds					
Wac Arts					
Town Hall leasehold acquisition	900,000	-	-	-	900,000
Freehold land	212,000	-	-	-	212,000
Bridge House					
Estates Trust Fund	300,000	-	-	-	300,000
Right of Way	118,500	-	-	-	118,500
Wac Arts Programme					
Costs	-	677,606	(649,458)	-	28,148
City Bridge Trust					
Capital Project	63,357	-	(7,494)	-	55,863
Town Hall Project					
Costs	4,404,347	-	(180,388)	-	4,223,959
	5,998,204	677,606	(837,340)	-	5,838,470
Unrestricted funds					
General	314,310	1,195,859	(1,159,598)	-	350,571
	6,312,514	1,873,465	(1,996,938)	-	6,189,041

Movement on funds Comparative

Group	At 1 October 2021 £	Total Incoming Resources £	Total Resources Expended £	Transfers £	At 30 September 2022 £
Restricted Funds					
Wac Arts					
Town Hall leasehold acquisition	900,000	-	-	-	900,000
Freehold land	212,000	-	-	-	212,000
Bridge House					
Estates Trust Fund	300,000	-	-	-	300,000
Right of Way	118,500	-	-	-	118,500
Wac Arts Programme					
Costs	1	580,061	(580,062)	-	-
City Bridge Trust					
Capital Project	47,484	47,119	(7,494)	(23,752)	63,357
Town Hall Project					
Costs	4,583,924	-	(179,577)	-	4,404,347
	6,161,909	627,180	(767,133)	(23,752)	5,998,204
Unrestricted funds					
General	267,389	1,059,703	(1,036,534)	23,752	314,310
	6,429,298	1,686,883	(1,803,667)	-	6,312,514

Restricted funds consist of grants and donations restricted to the purposes as described in each fund's title above. Transfers represent restricted funds spent on fixed assets.

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

13. Movement on funds	At 1 October 2022 £	Total Incoming Resources £	Total Resources Expended £	Transfers £	At 30 September 2023 £
Wac Arts					
Restricted Funds					
Wac Arts Programme					
Costs	-	677,606	(649,459)	-	28,147
City Bridge Trust					
Capital Project	63,357	-	(7,494)	-	55,863
	63,357	677,606	(656,953)	-	84,010
Unrestricted funds					
General	314,310	1,195,859	(1,159,598)	-	315,361
	377,667	1,873,465	(1,816,551)	-	434,581

Movement on funds Comparative

	At 1 October 2021 £	Total Incoming Resources £	Total Resources Expended £	Transfers £	At 30 September 2022 £
Wac Arts					
Restricted Funds					
Wac Arts Programme					
Costs	-	580,061	(580,061)	-	-
City Bridge Trust					
Capital Project	47,484	47,119	(7,494)	(23,752)	63,357
	47,484	627,180	(587,555)	(23,752)	63,357
Unrestricted funds					
General	267,389	1,059,703	(1,036,534)	23,752	314,310
	314,873	1,686,883	(1,624,099)	-	377,667

14. Analysis of Net Assets between Funds

a) Group

Fund balances at 30 September 2023 are represented by:

	Restricted £	Unrestricted £	2023 £
Tangible fixed assets	5,832,352	366,325	6,198,677
Net long-term assets/(liabilities)	(3,799)	(466,097)	(469,896)
Net current assets/(liabilities)	9,917	450,343	460,260
Total Net Assets	5,838,470	350,571	6,189,041

Comparative 2022	Restricted £	Unrestricted £	2022 £
Tangible fixed assets	5,989,874	359,434	6,349,308
Net long-term assets/(liabilities)	(263)	(516,924)	(517,187)
Net current assets/(liabilities)	8,593	471,800	480,393
Total Net Assets	5,998,204	314,310	6,312,514

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

b) Wac Arts

Fund balances at 30 September 2023 are represented by:

	Restricted £	Unrestricted £	2023 £
Non-Current Assets	82,113	366,325	448,438
Net long-term assets/(liabilities)	(3,799)	(466,097)	(469,896)
Net current assets/(liabilities)	5,696	450,343	456,039
Total Net Assets	<u>84,010</u>	<u>350,571</u>	<u>434,581</u>

	Restricted £	Unrestricted £	2022 £
Tangible fixed assets	63,357	359,434	422,791
Net long-term assets/(liabilities)	-	(516,924)	(516,924)
Net current assets/(liabilities)	-	471,800	471,800
Total Net Assets	<u>63,357</u>	<u>314,310</u>	<u>377,677</u>

15. Taxation

The company is a registered charity and, as such, is not liable to corporation tax on its charitable operations.

16. Lease Commitments

	2023 £	2022 £
The total of future minimum lease payments under non-cancellable operating leases for each of the following periods:		
Not later than one year	14,049	5,692
Later than one year and not later than five years	22,405	15,325
More than five years	-	-
	<u>36,454</u>	<u>21,017</u>

17. Connected Charities

The members of the Board of Trustees of Wac Arts are also the Board of Trustees of The Hamden Trust.

18. Pensions

The Charity contributes to certain individual employees' personal pension schemes. In addition, the Charity makes pension contributions for all eligible staff to comply with the Government's auto enrolment scheme regulations. The pension charge for the period was £17,728 (2022: £16,909).

19. Financial instruments

	2023 £	2022 £
Financial assets measured by amortised cost	198,321	288,037
Financial liabilities measured by amortised cost	602,695	608,571

Financial assets measured at amortised cost comprise trade other debtors. Financial liabilities measured at amortised cost comprise loans and trade creditors.

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

20. Consolidated Statement of Financial Activities for the year ended 30 September 2022 (for comparative purposes)

	Note	Restricted 2022 £	Unrestricted 2022 £	Total 2022 £
Income from:				
Grants and donations		202,106	48,385	250,491
Charitable activities		425,074	1,002,286	1,427,360
Other income		-	8,835	8,835
Investment income		-	197	197
Total income		<u>627,180</u>	<u>1,059,703</u>	<u>1,686,883</u>
Expenditure on:				
Charitable activities:				
Service and projects expenditure	3	763,834	582,865	1,346,699
Centre management	3	3,299	453,669	456,968
Total expenditure	3	<u>767,133</u>	<u>1,036,534</u>	<u>1,803,667</u>
Transfers between funds	12	(23,752)	23,752	-
Net Movement of Funds		<u>(163,705)</u>	<u>46,921</u>	<u>(116,784)</u>
Reconciliation of funds				
Funds at 1 October 2021		6,161,909	267,389	6,429,298
Funds at 30 September 2022	12	<u>5,998,204</u>	<u>314,310</u>	<u>6,312,514</u>

Wac Arts

Consolidated Financial Statements for the year to 30 September 2023

21. WAC Arts Statement of Financial Activities for the year ended 30 September 2022 (for comparative purposes)

	Note	Restricted 2022 £	Unrestricted 2022 £	Total 2022 £
Income from:				
Grants and donations		202,106	48,385	250,491
Charitable activities		425,074	1,002,286	1,427,360
Other income		-	8,835	8,835
Investment income		-	197	197
Total income		<u>627,180</u>	<u>1,059,703</u>	<u>1,686,883</u>
Expenditure on:				
Charitable activities:				
Service and projects expenditure	3	587,555	582,865	1,170,420
Centre management	3	-	453,669	453,669
Total expenditure	3	<u>587,555</u>	<u>1,036,534</u>	<u>1,624,089</u>
		39,625	23,169	62,794
Transfers between funds	13	-	-	-
Net Movement of Funds		<u>15,873</u>	<u>46,921</u>	<u>62,794</u>
Reconciliation of funds				
Funds at 1 October 2021		47,484	267,389	314,873
Funds at 30 September 2022	13	<u>63,357</u>	<u>314,310</u>	<u>377,667</u>