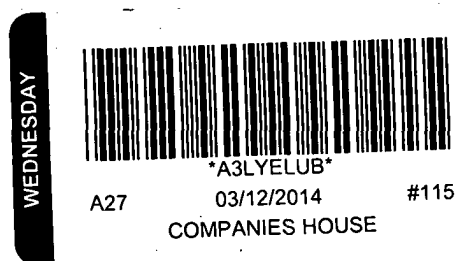


REGISTERED COMPANY NUMBER: 03034923 (England and Wales)  
REGISTERED CHARITY NUMBER: 1049370

**Report of the Trustees and**  
**Financial Statements For The Year Ended 31 March 2014**  
**for**  
**Yorkshire ArtSpace Society Limited**



Allotts Business Services Ltd, Statutory Auditor  
Chartered Accountants  
The Old Grammar School  
13 Moorgate Road  
Rotherham  
South Yorkshire  
S60 2EN

**Yorkshire ArtSpace Society Limited**

**Report of the Trustees**  
**For The Year Ended 31 March 2014**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

03034923 (England and Wales)

**Registered Charity number**

1049370

**Registered office**

Persistence Works  
21 Brown Street  
Sheffield  
South Yorkshire  
S1 2BS

**Trustees**

A Walker	- resigned 17.7.2014
S Falconer	
N Bajaria CBE	- resigned 18.4.2013
P R Houghton	
P E Cochrane	
H E Hammond	- resigned 23.1.2014
N A MacDonald	- appointed 10.4.2014
S Wade	- appointed 10.4.2014

**Company Secretary**

K Dore

**Auditors**

Allotts Business Services Ltd, Statutory Auditor  
Chartered Accountants  
The Old Grammar School  
13 Moorgate Road  
Rotherham  
South Yorkshire  
S60 2EN

**Bankers**

National Westminster Bank Plc  
PO Box 120  
42 High Street  
Sheffield  
S1 1QG

**Management**

K Dore      Director

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is registered as a company limited by guarantee, without a share capital. The charity's governing document is its memorandum and articles of association.

**Recruitment and appointment of new trustees**

New trustees are appointed by the board and are selected based on a review of desirable skills and experience. One third of the trustees retire by rotation at each AGM and may stand for reelection.

**Yorkshire ArtSpace Society Limited**

**Report of the Trustees**  
**For The Year Ended 31 March 2014**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Induction and training of new trustees**

We have looked at board development, auditing existing skills and highlighting gaps in provision with job descriptions for each board member.

In 2013, following a board skills review, we introduced a Rolling Chair Programme designed to invigorate an already highly skilled board and encourage more buy-in to our fundraising, sponsorship and profile raising ambitions. The programme offers individual board members a time-limited period to invest more time in delivering their own manifesto, reflecting their particular skills, experience and passions. This year our first Rolling Chair was Surriya Falconer consultant director of PR agency MK Things Happen, and her manifesto was 'A Year of Shouting and Being Immodest'. This has resulted in increased press coverage regionally, increased awareness of Yorkshire Artspace among the business community. From 1 April 2014 our chair will be Paul Houghton, partner at Grant Thornton, and his draft manifesto is 'Opening Doors' - linking Yorkshire Artspace with the business community in Sheffield to support sponsorship, individual giving and partnership working, linking directly with our Catalyst project (more below).

Other board members are Pat Cochrane, CEO of Cape UK who advises on arts education and strategic cultural developments and Andrew Walker, partner at Irwin Mitchell who offers legal and strategic business advice. We are recruiting two new Board members in 2014/15, again linking to our Catalyst ambitions and commitment to financial stability for our programming. Neil MacDonald is past Master Cutler and well networked within local and regional manufacturing as well as being on several other key city organisations' boards. Professor Sally Wade is director of the Sheffield Institute of Arts, Sheffield Hallam University, and her appointment will strengthen our ambition to work more closely with the HE sector in the city to deliver our programme in partnership.

**Organisational structure**

The charity is governed by a board of trustees which is responsible for setting the strategic direction of the charity and for establishing policy. The day to day affairs of the charity are run by five members of staff.

**Advocacy and partnerships**

We consider ourselves to be an enabling organisation, actively working with partners to increase audiences. We offer free gallery space at Persistence Works to MADE North to support their excellent exhibition and events programme, bringing the work of Northern designer makers and craftspeople to a new audience and raising their profile nationally and internationally. Visitor numbers for the Made North Gallery are approximately 1,500 per exhibition but with over 2,000 followers on Twitter the exhibitions are also widely promoted to a digital audience. We also provide free office space and Programme Manager support to the Galvanize Festival. We enjoy a strong relationship with Museums Sheffield; we have a dedicated space in the retail area of the Millennium Gallery, visitors 3,000 per day, and the Starter Studio Programme Silversmiths receive a commission from Sheffield Assay Office that is shown in the Foyer, around 1,000 visitors per day.

As a member of Sheffield Culture Consortium we work to deliver a citywide cultural strategy which takes a coherent approach to the city's cultural and arts offer and audience reach. The consortium has established a CYP Network bringing together NPOs, Cape UK and other providers to develop a more joined up cultural offer for Children and Young People in the city. The consortium has also established a Festivals Network and has secured funding to capture, share and report audience data for this significant element of the city's annual programme. We are a member of CraftNet, a national group of crafts sector experts who represent different regions of England, supported by Crafts Council to discuss regional concerns about policies that affect the sector.

**Risk management**

The trustees have reviewed the major risks to which the charity is exposed and systems have been established to mitigate those risks. These are reviewed periodically.

**Public benefit**

The trustees have had due regard to guidance published by The Charity Commission on public benefit.

**Yorkshire ArtSpace Society Limited**

**Report of the Trustees**  
**For The Year Ended 31 March 2014**

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The charity's objects are to foster and promote the maintenance, improvement and development of artistic taste and the knowledge, understanding and appreciation of arts among the inhabitants of Sheffield.

Established in 1977, Yorkshire ArtSpace's aim is to be a centre of excellence for the support of artists and makers by providing good quality affordable studio space, tailored professional development programmes for artists at all career stages and raising the profile of artists and their practices locally, nationally and internationally.

Our membership is made up of a wide variety of artists and makers and nearly 100 members currently have studios at Yorkshire ArtSpace's 4 premises; opened in 2001 Persistence Works is our flagship studio complex, purpose built, architecture award winning and bang in the heart of the city; Exchange Place Studios is our pioneering new studio building in the heart of the city's historic and evolving Castlegate; Manor Oaks Studios is our first neighbourhood studio, opened in 2009 on a historic, urban agricultural site with partner Green Estate; and Knutton Road Studios is our second neighbourhood studio opened in 2011 with partner SOAR, again in an award winning 'green' building in the North Sheffield community of Parson Cross.

**Significant activities**

The charity's principal activity is to provide affordable workspace for artists and craftspeople. Various exhibition, support and outreach projects are also in place.

As well as workspace the Society offers a **professional development** service to visual artists in covering many different aspects of visual arts practice and addressing the needs of artists and makers at various points in their careers.

The **Artist in Residence** Programme, launched in 2005, forms the heart of a wide-ranging programme of activity that encompasses professional development as well as outreach, education and public events.

**Public access** to the studios and artistic product is enabled through the annual Open Studios event in November and a dynamic exhibition programme in partnership with MADE North.

## Yorkshire ArtSpace Society Limited

### Report of the Trustees For The Year Ended 31 March 2014

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

At the heart of all our programme activity is support for artists at all career stages to develop and extend their practice and our programme has evolved over 20 years to reflect both the changing needs of artists and our accrued experience. For emerging artists we offer the Starter Studio Programmes (est. 2001), Action Research Bursaries (est. 2013), Microgrants (est. 2014) and Studio54 (est. 2013). Studio54 also represents a useful tool for mid-career and established artists who also benefit from our Residency Programme (est. 2005). All enable artists to become more resilient, adaptable and able to apply their skills and knowledge in various settings and offer public access to their work in engaging and diverse ways. Our aim is to enable people of all ages and backgrounds to access and engage with art and artists. We are interested in the role that art, artists and an art organisation can have within society, communities and people's lives.

##### **Starter Studio Programmes**

Yorkshire Artspace has run the Starter Studio Programme for Silversmiths and Jewellers since 2001. 25 new graduates have been supported to date and 80% are now running their own silversmithing businesses. All our participants benefit from 2 years access to an equipped space with technical, business and mentor support as well as exhibition and commission opportunities like Little Gems, on show at Millennium Galleries and touring to Goldsmiths in 2015. Modelled on this success, we set up the Starter Studio Programme for Ceramicists at our new Manor Oaks Studios in 2010. To date we have supported 8 ceramicists. All Starters have access to our annual Starting Out course, providing information about starting, developing and sustaining a creative arts practice which this year was delivered through Studio 54 for the first time and open to other artists across the UK.

In 2013 we recruited 2 artists to the Starter Studio Programme for Ceramicists: Sally Bertram and Joanne Barlow, both graduates from Cardiff. They joined Bryony Penman and Fay Jenkinson. Both Fay and Bryony showed their new collections at The Great Northern Contemporary Craft Fair in Manchester in October 2013. Sally had a brilliant start to her career under the guidance of her mentor Susan Disley and was selected to show her new ceramic range at the Great Northern Contemporary Craft Fair in Manchester in October 2014. Joanne began to explore the possibilities of working with elderly people to see if her ceramics practice would lend itself to enhance health & wellbeing.

We also recruited 4 artists to the Starter Studio Programme for Silversmiths and Jewellers: Florence Carter, graduate from Sheffield Hallam University and 'best newcomer' at New Designers 2013, Jodie Hatcher graduate from De Montfort University in Leicester, Jen Ricketts, also a graduate from De Montfort University and postgraduate from Bishopsland in Dunsden and Imogen Clarkstone who had just completed her MA at Birmingham School of Jewellery. They joined Sarah Pasley (graduate from Sheffield Hallam) and Colette Bishop (graduate from Liverpool Hope).

Jen Ricketts was the last person to be awarded Little Gems for her silver skyline vase of Sheffield, depicting iconic buildings from both past and present.

The whole of the Little Gems collection (23 pieces) will go on tour to Goldsmiths Centre in London in 2015. A new commissions programme will start in October 2014.

##### **Residency Programme**

We have run a highly successful Residency Programme for mid-career artists and makers for nearly 10 years, adapting and developing it to reflect the changing needs of artists and the funding environment. Our residencies have primarily been about the offer of SPACE, TIME & MONEY to develop new ideas and new work by talented artists. Over the years we have supported a total of 23 residencies with artists from across the UK (including Hilary Lloyd who later was nominated for the Turner Prize) as well as Panama, USA and China. In 2013/14 our artist in residence was ceramicist Emilie Taylor, supported through our new Partner Residency model with financial contributions from Chatsworth and Green Estate.

Emilie Taylor started her residency at Chatsworth and Manor Oaks Studios in August 2013. After several visits to the House, she began to focus on the baroque ceiling painting from 1691 by Antonio Verrio, commissioned in the by the 5th Earl of Devonshire depicting the Golden Age. Emilie also started volunteering at Manor Youth Group where she began to engage young people aged 12 to 18 in pot making activities by teaching coiling and decorative slipware and sgraffito skills. She also took a group of 12 young people to Chatsworth where they looked at the ceiling and afterwards were photographed acting out some of the gods and goddesses depicted on the ceiling. Emilie is creating a new body of work based on her research at Chatsworth and time at Manor Youth Group. The work will be exhibited at both Chatsworth and The Manor in autumn 2014.

## **Yorkshire ArtSpace Society Limited**

### **Report of the Trustees** **For The Year Ended 31 March 2014**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

##### **Studio 54**

We launched Studio54 in November 2013 - a high quality on-line professional development platform to support, advise and offer resources to visual artists, crafts people and designer makers across borders.

We worked closely with a network of experienced experts to provide the best possible sector-specific advice, plus providers of other high quality and reputable professional development / business support programmes (UK wide) to develop the offer. The courses are delivered through; live interactive webinars (archived) delivered by artists and industry experts; live interactive Q&A sessions with artists and industry experts; additional guidance notes & worksheets; small group or 1-2-1 advisory sessions via the webinar system, telephone, email and/or face-to-face

##### **Digital Audiences**

We use Google Analytics for all our on-line audience data collection. In 2013/14 we reached a digital readership of 11,551 for our e-newsletters, e-bulletins and the weekly internal email. We saw a noticeable increase in referrals to our website from Facebook and twitter as well as from MADE North, and the Crafts Council with whom we partnered on HotHouse. We increased Facebook likes from 297 in 2013 to 520 and twitter followers from 422 to 1,083. We made more frequent use of the blogging facility on our website to post news items - helping to keep the website active.

Studio 54 Audiences - over the period of Apr 2013-Mar 2014 inc. we received 4,131 visits to the Studio 54 website, with 1,761 returning visitors and 2,730 new visitors. These visitors came to us either directly (1,501), via social media sites- 978 (Facebook and Twitter), were referred by another website (664) or by a search engine (906). We learnt that 60.5% of our visitors were aged 18-34. A slight majority of 55% are male and visitors stay for an average of just over 3 minutes on the website. Our biggest visitor numbers came from Sheffield (1,390), London (579) and Manchester (111). Up to April 2014 we had 107 registered users on Studio 54's website. It is important to note that Studio 54 website was not active until August 2013. We ran our Starting Out Programme of courses from January 2014 until May 2014.

##### **Open Studios**

There is a huge demand from audiences to meet artists and understand the making process. We celebrate this thirst with an annual Open Studios weekend when we open the doors to our studios across 3 sites with Exchange Place Studios open for the first time as a (safe) work in progress. In order to attract a diverse audience we secure good local press coverage, advertise on Decaux boards in both the city centre and neighbourhoods and distribute 5,000 flyers. This year our annual Open Studio event took place over the weekend of November 15th and 16th. We had 416 visitors to Persistence Works on Friday night and 518 on Saturday to Persistence Works, Manor Oaks Studios and the new Exchange Place Studios.

#### **FINANCIAL REVIEW**

##### **Reserves policy**

In setting the charity's reserves policy, the trustees have taken account of both the day-to-day running of the charity's operations and also the potential for unforeseen costs, most likely due to work being required on one of the properties overseen by the charity.

The trustees are of the view that the charity's activities most likely to trigger significant unforeseen costs are its properties, in particular Persistence Works which is held on a long leasehold. The trustees had been setting aside money into an unrestricted Building Maintenance Fund over the past few years in order to generate a level of reserves which they believe is appropriate as a provision for such costs. The trustees' revised target threshold for Building Maintenance Fund reserve is £75,000 which will be built up over the next three years.

##### **Principal funding sources**

The charity is funded by charges to spaceholders and by grants from Arts Council England plus project-specific funds from a variety of charitable and public supporters.

##### **Investment powers**

The charity's investment powers are set out in its Memorandum and Articles of Association and allow the trustees to invest funds not immediately required for the furtherance of its objects in or upon such investments, securities or property as may be thought fit.

##### **Results for the Year**

Results for the year are shown on pages 9 & 10

**Yorkshire ArtSpace Society Limited**

**Report of the Trustees**  
**For The Year Ended 31 March 2014**

**FUTURE DEVELOPMENTS**

Our earned income from studios - 69% of turnover this year - continues to steadily increase through an expanding portfolio while maintaining affordable rents for artists. Exchange Place Studios enables us to significantly increase our earned income over the next few years, offsetting the continued trend of falling funding. Again we have been very grateful for the relative stability that has been offered to our organisation by the Arts Council England NPO funding. Further support to develop income from businesses and individuals has been offered to us through the Arts Council's Catalyst Programme and we have formed the Sheffield Visual Arts Catalyst Consortium with S1 Artspace and Site Gallery to share learning and work jointly to achieve an income stream from these largely untapped sources. Our first Catalyst year started well with the development of relationships with both the Duke of Devonshire and Green Estate, our partners at Manor Oaks Studios, who are financially supporting Emilie Taylors' residency at Chatsworth and Manor. We are also fortunate to enjoy continued support from Sheffield Assay office who sponsor the Little Gems commissions for our Starter Studio Silversmiths.

**TAX STATUS**

The society is a registered charity and is exempt from corporation tax under section 505 of the Corporation Taxes Act 1988.

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of Yorkshire ArtSpace Society Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 auditors are 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 auditors are aware of that information.

**AUDITORS**

The auditors, Allotts Business Services Ltd, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 21 November 2014 and signed on its behalf by:

  
P R Houghton - Trustee

**Report of the Independent Auditors to the Trustees of**  
**Yorkshire ArtSpace Society Limited**

We have audited the financial statements of Yorkshire ArtSpace Society Limited for the year ended 31 March 2014 on pages nine to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the 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.

**Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees Responsibilities set out on page six, 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.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees, to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.



**Report of the Independent Auditors to the Trustees of**  
**Yorkshire ArtSpace Society Limited**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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



Allotts Business Services Ltd, Statutory Auditor  
Chartered Accountants  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
The Old Grammar School  
13 Moorgate Road  
Rotherham  
South Yorkshire  
S60 2EN

Date: 1.12.14

**Yorkshire ArtSpace Society Limited**

**Statement of Financial Activities**  
**For The Year Ended 31 March 2014**

	Notes	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	54,283	-	54,283	-
Investment income	3	1,799	-	1,799	52
<b>Incoming resources from charitable activities</b>					
Support and promotion of arts and crafts	4	203,081	110,999	314,080	300,992
<b>Total incoming resources</b>		<b>259,163</b>	<b>110,999</b>	<b>370,162</b>	<b>301,044</b>
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
Support and promotion of arts and crafts	5	194,756	216,324	411,080	377,947
<b>Governance costs</b>					
	6	5,993	-	5,993	2,575
<b>Total resources expended</b>		<b>200,749</b>	<b>216,324</b>	<b>417,073</b>	<b>380,522</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		<b>58,414</b>	<b>(105,325)</b>	<b>(46,911)</b>	<b>(79,478)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>49,608</b>	<b>3,979,809</b>	<b>4,029,417</b>	<b>4,108,895</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>108,022</b>	<b>3,874,484</b>	<b>3,982,506</b>	<b>4,029,417</b>

The notes form part of these financial statements

**Yorkshire ArtSpace Society Limited (Registered number: 03034923)**

**Balance Sheet**  
**At 31 March 2014**

	Notes	2014 £	2013 £
<b>FIXED ASSETS</b>			
Tangible assets	10	4,022,388	3,982,822
<b>CURRENT ASSETS</b>			
Debtors	11	14,621	14,404
Cash at bank and in hand		6,593	154,983
		<u>21,214</u>	<u>169,387</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	(61,096)	(122,792)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>(39,882)</u>	<u>46,595</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,982,506</u>	<u>4,029,417</u>
<b>NET ASSETS</b>		<u><u>3,982,506</u></u>	<u><u>4,029,417</u></u>
<b>FUNDS</b>	15		
Unrestricted funds		108,022	49,608
Restricted funds		3,874,484	3,979,809
<b>TOTAL FUNDS</b>		<u><u>3,982,506</u></u>	<u><u>4,029,417</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2014.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.


The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 21 November 2014 and were signed on its behalf by:

  
.....  
P R Houghton -Trustee

The notes form part of these financial statements

**Yorkshire ArtSpace Society Limited**

**Notes to the Financial Statements**  
**For The Year Ended 31 March 2014**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

**Incoming resources**

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

Grants received with conditions imposed by the donor over the timing of the related expenditure are deferred to the stated period.

Grants that involve the provision of services in furtherance of the funder's objectives are recognised when those services are provided.

Income received in advance of recognition is included as deferred income within creditors.

Income is only netted off against expenditure where not material.

Donated services and facilities are valued at an estimate of the price the charity would have paid for an equivalent item in an open market.

**Resources expended**

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

**Support costs**

In the opinion of the trustees, the proportion of overheads attributable to management and administration of the charity is not material and has therefore not been shown separately.

**Value added tax**

Income and expenditure includes irrecoverable VAT.

**Tangible fixed assets**

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

Long leasehold	- 2% on cost
Improvements to property	- 20% on cost
Furniture and equipment	- 20% on reducing balance

The costs of financing the construction of the charity's premises have been capitalised in accordance with FRS15. In the year these totalled £nil.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. These include funds freely available to the charity for expenditure or appropriation to reserves for internally designated purposes.

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

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Yorkshire ArtSpace Society Limited**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2014**

**1. ACCOUNTING POLICIES - continued**

**Consolidation**

The charity's only subsidiary is not material. Therefore consolidated accounts have not been prepared and these accounts present information about the charity and not about its group.

**2. VOLUNTARY INCOME**

	2014 £	2013 £
Donated services and facilities	54,283	-
	<u>54,283</u>	<u>-</u>
	2014 £	2013 £
Rent	51,283	-
Professional services	3,000	-
	<u>54,283</u>	<u>-</u>

**3. INVESTMENT INCOME**

	2014 £	2013 £
Deposit account interest	1,799	52
	<u>1,799</u>	<u>52</u>

**4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	2014 £	2013 £
Grants	73,441	75,000
Members' contributions	143,274	134,240
Programme income	37,558	32,500
Other income	59,807	59,252
	<u>314,080</u>	<u>300,992</u>

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

	2014 £	2013 £
Arts Council regular funding	73,441	75,000
	<u>73,441</u>	<u>75,000</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct costs £	Totals £
Support and promotion of arts and crafts	411,080	411,080
	<u>411,080</u>	<u>411,080</u>

**Yorkshire ArtSpace Society Limited**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2014**

**6. GOVERNANCE COSTS**

	2014	2013
	£	£
Auditors' remuneration	1,300	1,200
Auditors' remuneration for non-audit work	1,693	1,375
Professional fees	3,000	-
	<u>5,993</u>	<u>2,575</u>

**7. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	2014	2013
	£	£
Auditors' remuneration	1,300	1,200
Depreciation - owned assets	125,854	106,298
Other operating leases	<u>22,248</u>	<u>22,709</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2014 nor for the year ended 31 March 2013.

**2014**

Grant Thornton UK LLP, of which Paul Houghton, a trustee of the charity, is a partner, provided the charity with £3,000 of VAT advice free of charge.

**2013**

Grant Thornton UK LLP, of which Paul Houghton, a trustee of the charity, is a partner, paid the charity £1,100 to hire premises for an event.

**Trustees' expenses**

Two trustees were reimbursed £64 for personal expenditure incurred in the proper performance of their duties as trustees. (2013: no trustees were reimbursed.)

**9. STAFF COSTS**

	2014	2013
	£	£
Wages and salaries	110,875	104,629
Social security costs	10,201	9,065
	<u>121,076</u>	<u>113,694</u>

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

	2014	2013
Charitable activities	4	4
Administration	1	1
	<u>5</u>	<u>5</u>

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

**Yorkshire ArtSpace Society Limited**

**Notes to the Financial Statements - continued  
For The Year Ended 31 March 2014**

**10. TANGIBLE FIXED ASSETS**

	Long leasehold £	Improvements to property £	Furniture and equipment £	Totals £
<b>COST</b>				
At 1 April 2013	5,222,259	-	49,969	5,272,228
Additions	-	157,892	7,528	165,420
Disposals	-	-	(3,500)	(3,500)
At 31 March 2014	5,222,259	157,892	53,997	5,434,148
<b>DEPRECIATION</b>				
At 1 April 2013	1,246,851	-	42,555	1,289,406
Charge for year	104,445	18,421	2,988	125,854
Eliminated on disposal	-	-	(3,500)	(3,500)
At 31 March 2014	1,351,296	18,421	42,043	1,411,760
<b>NET BOOK VALUE</b>				
At 31 March 2014	3,870,963	139,471	11,954	4,022,388
At 31 March 2013	3,975,408	-	7,414	3,982,822

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014 £	2013 £
Trade debtors	6,864	8,060
Amounts owed by group undertakings	3,356	3,356
Other debtors	2,388	-
Prepayments and accrued income	2,013	2,988
	<u>14,621</u>	<u>14,404</u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014 £	2013 £
Trade creditors	7,762	1,154
Members' deposits	18,567	13,942
Social security and other taxes	2,736	8,134
Accruals and deferred income	32,031	99,562
	<u>61,096</u>	<u>122,792</u>

Deferred income

	£
At 1 April 2013	47,824
Released in year	(38,824)
Receipts deferred in year	<u>16,199</u>
At 31 March 2014	<u>25,199</u>

**Yorkshire ArtSpace Society Limited**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2014**

**13. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	2014 £	2013 £
Expiring:		
Between one and five years	7,611	7,611

**14. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
Fixed assets	147,904	3,874,484	4,022,388	3,982,822
Current assets	(4,819)	26,033	21,214	169,387
Current liabilities	(35,063)	(26,033)	(61,096)	(122,792)
	<u>108,022</u>	<u>3,874,484</u>	<u>3,982,506</u>	<u>4,029,417</u>

**15. MOVEMENT IN FUNDS**

	At 1.4.13 £	Net movement in funds £	Transfers between funds £	At 31.3.14 £
<b>Unrestricted funds</b>				
General fund	(2,244)	- 44,191	66,075	108,022
Building Maintenance	51,852	14,223	(66,075)	-
	<u>49,608</u>	<u>58,414</u>	<u>-</u>	<u>108,022</u>
<b>Restricted funds</b>				
National Lottery Building Costs	2,852,875	(74,042)	-	2,778,833
ERDF Building Costs	1,112,090	(30,120)	-	1,081,970
English Partnerships Building Costs	10,443	(283)	-	10,160
Arts Council development project	4,401	(880)	-	3,521
	<u>3,979,809</u>	<u>(105,325)</u>	<u>-</u>	<u>3,874,484</u>
<b>TOTAL FUNDS</b>	<u>4,029,417</u>	<u>(46,911)</u>	<u>-</u>	<u>3,982,506</u>



**Yorkshire ArtSpace Society Limited**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2014**

**15. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	244,940	(200,749)	44,191
Building Maintenance	14,223	-	14,223
	<u>259,163</u>	<u>(200,749)</u>	<u>58,414</u>
<b>Restricted funds</b>			
Arts Council regular funding	73,441	(73,441)	-
Programme Activity	33,821	(33,821)	-
Other Programme Funding	3,737	(3,737)	-
National Lottery Building Costs	-	(74,042)	(74,042)
ERDF Building Costs	-	(30,120)	(30,120)
English Partnerships Building Costs	-	(283)	(283)
Arts Council development project	-	(880)	(880)
	<u>110,999</u>	<u>(216,324)</u>	<u>(105,325)</u>
<b>TOTAL FUNDS</b>	<u><u>370,162</u></u>	<u><u>(417,073)</u></u>	<u><u>(46,911)</u></u>

The trustees have assessed the possibility of major building repairs as an important risk facing the organisation. Therefore they have established a designated building maintenance fund to ensure that sufficient reserves are held to enable the charity to maintain the building to the desired standard.

A modest increase in studio rents contributed to this fund to provide confidence in our ability to maintain a high quality building.

The funds were used in the year to fund prompt renovation of our new Exchange Place Studios so the balance has been transferred to the general fund. However with more studios to contribute to the Building Maintenance Fund the trustees are confident that it will quickly return to its desired level.

**16. RELATED PARTY DISCLOSURES**

At the year-end and the previous year-end the charity was owed £3,356 by its subsidiary undertaking Yorkshire ArtSpace Gallery.

**Yorkshire ArtSpace Society Limited**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2014**

**17. TRADING SUBSIDIARY**

On 6 December 2011 the charity established a trading subsidiary, Yorkshire ArtSpace Gallery, to operate an exhibition. It is a company incorporated in England and Wales and limited by guarantee with the charity as the only member. The company was dormant throughout the year to 31 March 2014. The results of the subsidiary for the period to 31 March 2013 were:

	£
Turnover	1,072
Distribution costs	(794)
Administrative expenses	(278)
	<hr/>
Profit	-
	<hr/>
Cash at bank	3,634
Creditors	(3,634)
	<hr/>
Reserves	-
	<hr/>