

Charity number: 1101146
Company number: 4830735

Hartlepool Arts Studio Ltd
(A company limited by guarantee)
Trustees' report and financial statements
for the year ended 31 March 2016

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Hartlepool Arts Studio Ltd
(A company limited by guarantee)

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Hartlepool Arts Studio Ltd
(A company limited by guarantee)

Legal and administrative information

Charity number 1101146

Company registration number 4830735

Business address The Artrium
120a Park Road
Hartlepool
TS26 9HU

Registered office The Artrium
120a Park Road
Hartlepool
TS26 9HU

Trustees Iain Caldwell
Terry Kelly
Juliette Addison
Claire Louise Andrews
Catherine Wakeling
Mark Dougherty

Chairperson
Resigned February 2015

Secretary Colin Thompson

Accountants Censis
Exchange Building
66 Church Street
Hartlepool
TS24 7DN

Bankers The Co-operative Bank plc
PO Box 101
1 Balloon Street
Manchester
M60 4EP

Hartlepool Arts Studio Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 March 2016

Hartlepool Arts Studio Limited is a company limited by guarantee and a registered charity governed by its memorandum and articles of association.

The policy and general management of the affairs of the charity are directed by the officers and trustees. Trustees are appointed at a general meeting or by the other trustees.

Reserves Policy and Risk Management

Hartlepool Arts Studio Limited Management Committee (Trustees) has determined that it should seek to acquire and maintain an appropriate level of financial resources above its current running and project cost in order to ensure the long term viability of the organisation and to comply with the Charities Commission Statement of Recommended Practice (SORP 2005).

The reserves policy of Hartlepool Arts Studio Limited is intended to: State whether or not Hartlepool Arts Studio Ltd holds reserves; explain why Hartlepool Arts Studio Ltd holds reserves. In respect of what future needs, opportunities, contingencies or risks there may be; give the level of reserves at the last day of each financial year to which each annual accounts relate; explain what steps Hartlepool Arts Studio Ltd is going to take to maintain reserves at the appropriate level; Hartlepool Arts Studio Ltd will monitor its reserve policy.

The target for reserves shall be based on the following: Four months running costs (salaries, utilities, rent, administration, etc.; redundancy payments to staff; where necessary, cover for retrospective funding - to cover the gap between incurring costs of doing and receiving the grant/funding.

Objectives and activities

To advance the education of the public in particular persons suffering from the effects of mental illness and mental health problems living in Hartlepool through use and promotion of art and artistic and creative activities.

To provide studio accommodation for the artists to offer support for the persons suffering from the effects of mental illness and mental health problems through the use of art and artistic and creative activities.

To foster creativity and creative activity including drawing, painting, sculpture, print and other art forms and to enrich and belong to the artistic life of Hartlepool.

Public Benefit

In planning our activities for the year we kept in mind the Charity Commission's guidance on public benefit at our trustee meetings.

The provision of a studio offers much needed support to the public in particular those persons suffering from the effects of mental illness and mental health problems. The studio is fully resourced, offering such creative activities as drawing, painting, sculpture, print and other art forms. The studio is in full use throughout the day with support on hand to educate and encourage those suffering from the effects of mental illness and mental health problems.

Hartlepool Arts Studio Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 March 2016

Achievements and performance

Hartlepool Art Studio Limited has an Outreach Outlet that works in many schools, community centres, Dancing Schools, Local Governments, well you name it and we have done it.

The ARTRIUM strives to ensure the whole community gets involved in one way or another but one of the best ways we have found is to start at an early age.

We have completed outreach at several primary and secondary schools in Hartlepool with great success and plans are afoot to do more work in the coming months during term time.

Whilst the Artriums' main concern is supporting our members, we also have a great team of talented artists that are available to design and paint to any requirements.

We have been involved in the production of "We will rock you" staged by Hartlepool 6th Form College, the backdrops for Hartlepool Borough Councils "Plant Roundabout" to teach young people about the effects of global warming and the effect of miss-using of resources.

The trustees also wish to thank all volunteers for their time and commitment into this project which has been a goal for several years.

Financial review

The trustees consider that the performance of the charity this year has not been most satisfactory. Our projects are working well and are adequately funded.

The Statement of Financial Activities shows a surplus for the year of £2,104 and reserves stand at £174,266.

The unrestricted funds of the charity at 31 March 2016 amounted to £74,639 of which free reserves (that is those not tied up in fixed assets) amount to £71,727.

Hartlepool Arts Studio Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 March 2016

Statement of trustees' responsibilities

The trustees (who are also directors of Hartlepool Arts Studio Ltd for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and 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 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 which 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.

Small company provisions

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

On behalf of the board on 6th July 2016.

Colin Thompson
Secretary

Hartlepool Arts Studio Ltd
(A company limited by guarantee)

Independent examiner's report to the trustees on the unaudited financial statements of Hartlepool Arts Studio Ltd.

I report on the accounts of Hartlepool Arts Studio Ltd for the year ended 31 March 2016 set out on pages 2 to 15.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act), and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the 2011 Act, and to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and to state whether particular matters have come to my attention.


Basis of independent examiner's statement

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

Independent examiner's statement

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

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


.....
Censis
Chartered Accountants
Independent examiner
Exchange Building
66 Church Street
Hartlepool
TS24 7DN

Dated 7th July 2016

Hartlepool Arts Studio Ltd
(A company limited by guarantee)

Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 March 2016

	Notes	Unrestricted funds £	Restricted funds £	2016 Total £	2015 Total £
Incoming resources					
Donations	2	4,022	-	4,022	2,472
Charitable activities	5	45,195	24,380	69,575	47,803
Other trading activities	3	2,777	-	2,777	4,799
Investment income	4	90	-	90	152
Other incoming resources	6	4,245	-	4,245	2,537
Total incoming resources		<u>56,329</u>	<u>24,380</u>	<u>80,709</u>	<u>57,763</u>
Resources expended					
Charitable activities	7	<u>65,617</u>	<u>12,988</u>	<u>78,605</u>	<u>72,235</u>
Total resources expended		<u>65,617</u>	<u>12,988</u>	<u>78,605</u>	<u>72,235</u>
Net income/(expenditure) for the year		(9,288)	11,392	2,104	(14,472)
Total funds brought forward		<u>83,927</u>	<u>88,235</u>	<u>172,162</u>	<u>166,007</u>
Total funds carried forward		<u>74,639</u>	<u>99,627</u>	<u>174,266</u>	<u>151,535</u>

The notes on pages 9 to 15 form an integral part of these financial statements.

Hartlepool Arts Studio Ltd
(A company limited by guarantee)

Balance sheet
as at 31 March 2016

	Notes	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	11		78,159		86,942
Current assets					
Cash at bank and in hand		96,871		85,984	
		<u>96,871</u>		<u>85,984</u>	
Creditors: amounts falling due within one year	12	(764)		(764)	
Net current assets			96,107		85,220
Net assets			<u>174,266</u>		<u>172,162</u>
Funds	13				
Restricted income funds			99,627		88,235
Unrestricted income funds			<u>74,639</u>		<u>83,927</u>
Total funds			<u>174,266</u>		<u>172,162</u>

The Balance Sheet continues on the following page.

The notes on pages 9 to 15 form an integral part of these financial statements.

Hartlepool Arts Studio Ltd
(A company limited by guarantee)

Balance sheet (continued)

**Trustees statements required by the Companies Act 2006
for the year ended 31 March 2016**

In approving these financial statements as trustees of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by 477 of the Companies Act 2006;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 March 2016.

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of section 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the board on 6 July 2016 and signed on its behalf by

Iain Caldwell
Director

Company registration number 4830735

The notes on pages 9 to 15 form an integral part of these financial statements.

Hartlepool Arts Studio Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 March 2016

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015), the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP FRSSE) and the Companies Act 2006.

1.2. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income 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 grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

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

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

1.3. Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

Hartlepool Arts Studio Ltd
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Notes to financial statements
for the year ended 31 March 2016

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	5% straight line
Furniture & Equipment	-	15% straight line
Fixtures, fittings and equipment	-	15% straight line

2. Donations

	Unrestricted funds £	2016 Total £	2015 Total £
Individuals	911	911	1,372
Hartlepool Business Forum	-	-	500
Hartlepool Borough Council	-	-	600
North Tyne Art Studio	1,137	1,137	-
Sainsburys PLC	1,800	1,800	-
Paul Hamlyn FoundationTrust	174	174	-
	<u>4,022</u>	<u>4,022</u>	<u>2,472</u>

3. Other trading activities

	Unrestricted funds £	2016 Total £	2015 Total £
Refreshments and tuck shop	1,078	1,078	1,341
Art sales	1,578	1,578	3,152
Sale of stock	105	105	209
Photocopier income	16	16	97
	<u>2,777</u>	<u>2,777</u>	<u>4,799</u>

4. Investment income

	Unrestricted funds £	2016 Total £	2015 Total £
Bank interest receivable	90	90	152
	<u>90</u>	<u>90</u>	<u>152</u>

Hartlepool Arts Studio Ltd
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Notes to financial statements
for the year ended 31 March 2016

5. Charitable activities

	Unrestricted funds £	Restricted funds £	2016 Total £	2015 Total £
Outreach	1,490	-	1,490	3,669
One to One Support/Personisations	30,519	-	30,519	17,071
Steering Group fees	500	-	500	-
Art Sessions & members fees	12,686	-	12,686	9,563
Northern Rock Foundation	-	-	-	17,500
Big Lottery Fund	-	9,380	9,380	-
Paul Hamlyn Foundation Trust	-	15,000	15,000	-
	<u>45,195</u>	<u>24,380</u>	<u>69,575</u>	<u>47,803</u>

6. Other incoming resources

	Unrestricted funds £	2016 Total £	2015 Total £
Other income	4,245	4,245	2,537
	<u>4,245</u>	<u>4,245</u>	<u>2,537</u>

Hartlepool Arts Studio Ltd
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Notes to financial statements
for the year ended 31 March 2016

7. Analysis of support costs

	Hartlepool Borough Council £	Northern Rock Foundation £	Artrium Property Project £	2016 Total £	2015 Total £
Staff costs	36,303	5,452	-	41,755	41,290
Vocational training	2,979	-	-	2,979	75
One to One Support	4,604	-	-	4,604	280
Rates	2,588	-	-	2,588	2,527
Premises costs	4,378	-	-	4,378	6,104
Refreshments and tuck shop	405	-	-	405	408
Travel & transport	1,826	-	-	1,826	1,400
Accountancy charges	960	-	-	960	1,272
Legal and professional fees	86	-	-	86	10
Art materials	1,239	-	-	1,239	1,769
Commission on sale of art	637	-	-	637	1,603
Outreach Expenses	612	-	-	612	1,326
Office expenses	7,753	-	-	7,753	5,238
Donations & sponsorship	-	-	-	-	20
Depreciation	1,247	-	7,536	8,783	8,913
	<u>65,617</u>	<u>5,452</u>	<u>7,536</u>	<u>78,605</u>	<u>72,235</u>

8. Net incoming/(outgoing) resources for the year

	2016 £	2015 £
Net incoming/(outgoing) resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	<u>8,783</u>	<u>8,913</u>

Hartlepool Arts Studio Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 March 2016

9. Employees

Employment costs	2016	2015
	£	£
Wages and salaries	40,418	39,975
Social security costs	1,337	1,315
	<u>41,755</u>	<u>41,290</u>

No employee received emoluments of more than £60,000 (2015 : None).

Number of employees

The average monthly numbers of employees (including the trustees) during the year, calculated on the basis of full time equivalents, was as follows:

	2016	2015
	Number	Number
Charitable activities	<u>2</u>	<u>2</u>

10. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

11. Tangible fixed assets

	Land & Buildings Freehold	Furniture & Equipment	Fixtures & Fittings	Total
	£	£	£	£
Cost				
At 1 April 2015 and				
At 31 March 2016	<u>150,727</u>	<u>14,526</u>	<u>17,305</u>	<u>182,558</u>
Depreciation				
At 1 April 2015	66,698	12,582	16,336	95,616
Charge for the year	7,536	787	460	8,783
At 31 March 2016	<u>74,234</u>	<u>13,369</u>	<u>16,796</u>	<u>104,399</u>
Net book values				
At 31 March 2016	<u>76,493</u>	<u>1,157</u>	<u>509</u>	<u>78,159</u>
At 31 March 2015	<u>84,029</u>	<u>1,944</u>	<u>969</u>	<u>86,942</u>

Hartlepool Arts Studio Ltd
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Notes to financial statements
for the year ended 31 March 2016

12. Creditors: amounts falling due within one year

	2016	2015
	£	£
Accruals and deferred income	764	764
	<u>764</u>	<u>764</u>

13. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 March 2016 as represented by:			
Tangible fixed assets	2,912	75,247	78,159
Current assets	72,491	24,380	96,871
Current liabilities	(764)	-	(764)
	<u>74,639</u>	<u>99,627</u>	<u>174,266</u>

14. Unrestricted funds

	At 1 April 2015	Incoming resources	Outgoing resources	At 31 March 2016
	£	£	£	£
General Fund	83,927	56,329	(65,617)	74,639
	<u>83,927</u>	<u>56,329</u>	<u>(65,617)</u>	<u>74,639</u>

Purposes of unrestricted funds

The general reserve represents the free funds of the charity which are not designated for particular purposes.

Hartlepool Arts Studio Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 March 2016

15. Restricted funds

	At 1 April 2015 £	Incoming resources £	Outgoing resources £	At 31 March 2016 £
Artrium Property Project	82,783	-	(7,536)	75,247
Northern Rock Foundation	5,452	-	(5,452)	-
Big Lottery Fund - Customer Care Volunteers	-	9,380	-	9,380
Paul Hamlyn Foundation Trust	-	15,000	-	15,000
	<u>88,235</u>	<u>24,380</u>	<u>(12,988)</u>	<u>99,627</u>

Purposes of restricted funds

Grants totaling £148,779 contributed towards the purchase and refurbishment of an Art Studio, known as The Artrium. Funds include the following:

	£
Hartlepool Borough Council	77,400
ERDF	71,379
	<u>148,779</u>

Costs incurred to date amount to £148,779. This amount has been capitalised and is shown in the fixed asset note 10 to the accounts. Depreciation to date on the project amounts to £73,532. The amount shown as restricted represents the net book value of the property.

The Northern Rock Foundation kindly provided a grant to fund the Centre Manager's salary.

16. Company limited by guarantee

Hartlepool Arts Studio Ltd is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Hartlepool Arts Studio Ltd
(A company limited by guarantee)

The following pages do not form part of the statutory accounts.

Hartlepool Arts Studio Ltd
(A company limited by guarantee)

Detailed statement of financial activities

For the year ended 31 March 2016

	2016	2015
	£	£
Incoming resources		
Incoming resources from generating funds:		
<i>Donations</i>		
Individuals	911	1,372
Hartlepool Business Forum	-	500
Hartlepool Borough Council	-	600
North Tyne Art Studio	1,137	-
Sainsburys PLC	1,800	-
Paul Hamlyn FoundationTrust	174	-
	<u>4,022</u>	<u>2,472</u>
<i>Other trading activities</i>		
Refreshments and tuck shop	1,078	1,341
Art sales	1,578	3,152
Sale of stock	105	209
Photocopier income	16	97
	<u>2,777</u>	<u>4,799</u>
<i>Investment income</i>		
Bank interest receivable	90	152
	<u>90</u>	<u>152</u>
Total incoming resources from generating funds	<u>6,889</u>	<u>7,423</u>
 Charitable activities		
Outreach	1,490	3,669
One to One Support/Personisations	30,519	17,071
Steering Group fees	500	-
Art Sessions & members fees	12,686	9,563
Northern Rock Foundation	-	17,500
Big Lottery Fund	9,380	-
Paul Hamlyn Foundation Trust	15,000	-
	<u>69,575</u>	<u>47,803</u>
 Other incoming resources		
Other income	4,245	2,537
	<u>4,245</u>	<u>2,537</u>
Total incoming resources	<u><u>80,709</u></u>	<u><u>57,763</u></u>

Hartlepool Arts Studio Ltd
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Detailed statement of financial activities

For the year ended 31 March 2016

	2016	2015
	£	£
Resources expended		
Charitable activities		
Hartlepool Borough Council		
<i>Support costs</i>		
Wages & salaries	36,303	10,699
Vocational training	2,979	75
Rates	2,588	2,527
Heat, light & water	2,939	3,326
Building maintenance	128	1,459
Insurance	827	810
Transport & travel exps.	1,527	548
One to One support	4,604	280
Volunteer expenses	299	852
Accountancy	960	1,272
Commission on sale of art	637	1,603
Professional fees	86	10
Telephone	2,680	1,425
Sundry expenses	2,543	1,743
Printing, postage & stationery	1,887	1,935
Cleaning	484	509
Art materials	1,239	1,769
Outreach expenses	612	1,326
Studio & office equipment	643	135
Donations & Sponsorships	-	20
Refreshments and tuck shop	405	408
Depreciation	1,247	1,377
	<hr/>	<hr/>
	65,617	34,108
Hartlepool Borough Council total expenditure	<hr/>	<hr/>
	65,617	34,108
Northern Rock Foundation		
<i>Support costs</i>		
Wages & salaries	5,452	30,591
	<hr/>	<hr/>
	5,452	30,591
Northern Rock Foundation total expenditure	<hr/>	<hr/>
	5,452	30,591

Hartlepool Arts Studio Ltd
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Detailed statement of financial activities

For the year ended 31 March 2016

Artrium Property Project			
<i>Support costs</i>			
Depreciation	<u>7,536</u>		<u>7,536</u>
		<u>7,536</u>	<u>7,536</u>
Artrium Property Project total expenditure		<u>7,536</u>	<u>7,536</u>
Total charitable activity expenditure		<u>78,605</u>	<u>72,235</u>
Net incoming/(outgoing) resources for the year		<u>2,104</u>	<u>(14,472)</u>