



Detail of Installation view of Mohammed Sami, *The Point 0* at Camden Art Centre, 2023. Courtesy of the artist; Camden Art Centre, London; LuhringAugustine, New York; and Modern Art, London. Photo: Rob Harris

SPACE ANNUAL REPORT 2023

Registered Charity No. 267021
Registered Company No. 1157240

ART SERVICES GRANTS LTD.

Trading as SPACE

ANNUAL REPORT & FINANCIAL STATEMENTS

1 April 2022 – 31 March 2023

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MISSION VISION VALUES

SPACE stands for

Space
Provision
Artistic
Cultural and
Educational

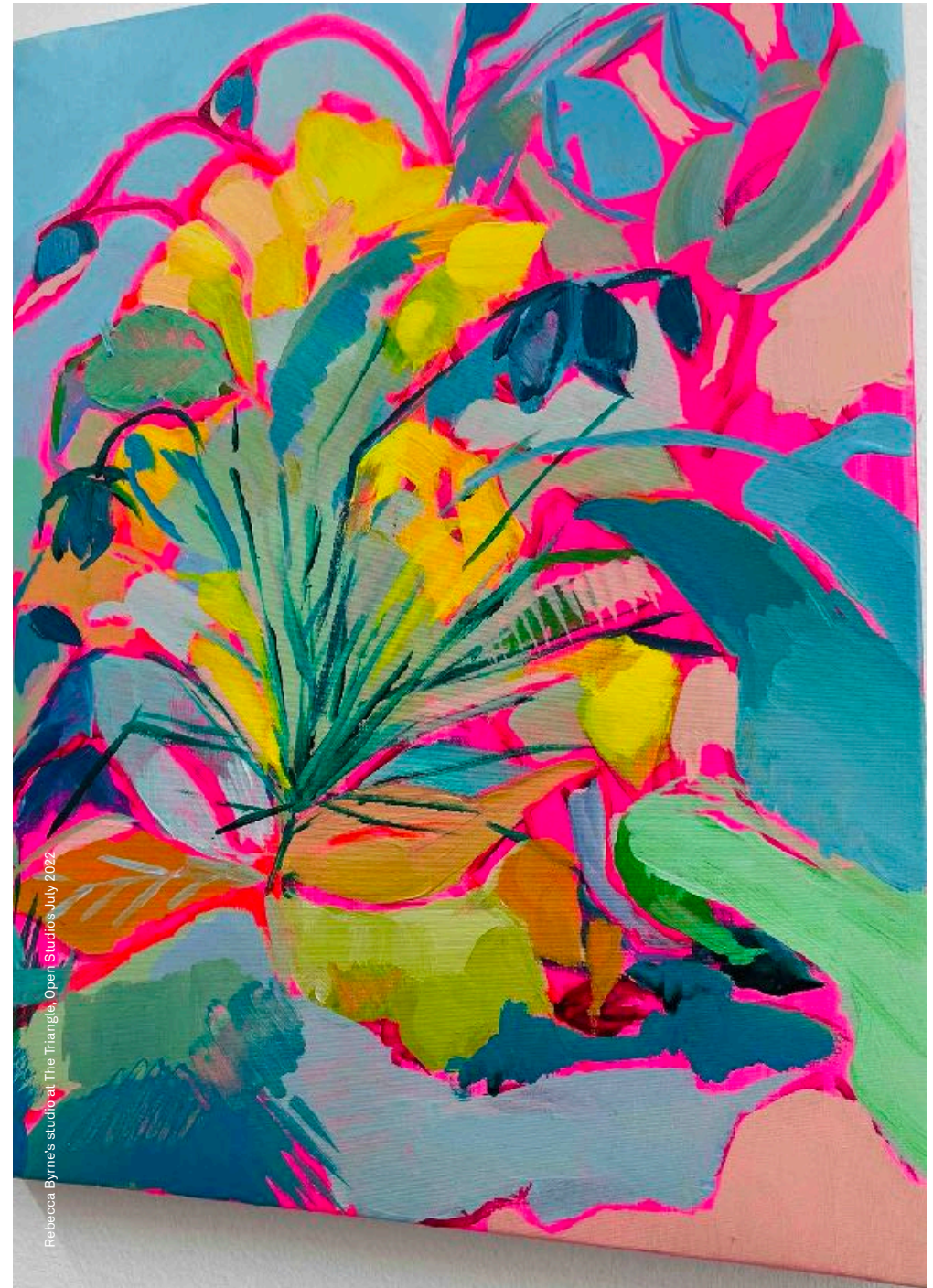
Our mission is to make space for art.

- by providing affordable studio space to a wide range of artists;
- by offering resources to develop their practice;
- by being an effective advocate for artist studio spaces; and
- by enabling local communities in areas of low provision to meaningfully access and engage with art and artists.

Our vision is to underpin a sustainable infrastructure for art and artists in the city, in perpetuity.

Our core values are:

- Innovative, ambitious, and relevant
We strive to meet the changing needs of the artists and their communities.
- Accessible, diverse, and inclusive
We support artists who are under-recognised and historically excluded, and are ensuring that our activities are inclusive and diverse.
- Accountable, sustainable, and transparent
We are efficient managers of our buildings, and hold ourselves and others to high standards respecting the environment. We operate with transparency and continuous quality improvement.
- Connected, supportive, and engaged
We recognise the value of joined-up thinking and partnerships in helping us achieve our objectives.



Rebecca Byrne's studio at The Triangle, Open Studios July 2022

TRUSTEES' REPORT

The trustees present their annual report and the audited financial statements for the year ended 31 March 2023.

The financial statements comply with current statutory requirements, the articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice—Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

The Reference and Administrative Details on page 36 form part of this report.

Key Facts 2022–23

This year was marked by political and economic upheaval. On a positive note, all government imposed Covid-19 restrictions ended on 1 April 2022, our staff was able to return to the office, and our Ilford gallery could fully reopen to the public. We were also able to organise open studio events again, giving local communities the opportunity to see artists at work and engage with their process and practice.

We provided almost **900 artists** with creative workspace in **21 buildings** comprising over **310,000 sq ft**

A consistent **99% occupancy** rate shows our studios are highly in demand

We welcomed over **4,000 visitors** to our Ilford gallery

Over **2,600 people** enjoyed our first post-pandemic open studio events

However, artists' livelihoods remain under severe pressure, with the ripple effects of both Brexit and the pandemic still felt, and now compounded by the February 2022 Russian invasion of the Ukraine and related rising costs of goods and services and energy price crisis. Against this precarious inflationary backdrop we kept our focus on our core priorities and charitable purposes, providing artists with a secure base to work from and offering opportunities to increase resilience through our artist support programmes. In early November 2022 we were also thrilled to once again be recognised as one of Arts Council England's National Portfolio Organisations 2023-26 in recognition of our community-focussed programming.

Trustees are keen to ensure that SPACE's governing documents are up-to-date and reflect our current need. We therefore modernised our 2005 memorandum of association and articles of association in line with model articles recommended by the Charity Commission and provisions from the Companies Act 2006. Our new articles of association were adopted at our AGM on 24 January 2023.

We are very grateful to Bridget Riley, one of our founders, for her very generous donation made to SPACE this year. After last year's deficit, this year our core financial position gained a solid footing again. It should be noted that our overall reported profit for the year was greatly impacted following the renegotiation of some of our leases, which meant that in accordance with standard accounting practice we had to release certain provisions we had prudently set aside over the years for potential lease-end obligations.

SPACE Studios

Our Buildings

SPACE runs 21 artist studio buildings across eight London boroughs and Colchester, providing an important infrastructure addressing artists' need for space in creating their work. We successfully run artist studios in a huge variety of buildings, from repurposed industrial sites to newly built mixed-use developments.

A 99% occupancy rate as at 31 March 2023 shows how our studio spaces remain in demand, and how valued they are by artists. Affordable studio space not just provides security but enables artists to exchange ideas and make ambitious work.

We are always actively looking for new sites to purchase or lease long-term, and in early 2022 we successfully tendered for a new development in North Woolwich that is planned to open in 2026. Three additional mixed-use developments in Enfield, Tower Hamlets and Southwark are in various stages of planning. During 2022-23 we successfully ended or capped all outstanding open-market rent reviews, increasing stability and putting our finances on more secure footing for the coming years.

Highlights from SPACE Studio Artists

From internationally acclaimed names to new and emerging talent, this is a snapshot of just some of the extraordinary work being created this year by SPACE studio artists.

Andrew Salgado – *A Never-Setting Sun*, Beers, London. 9 April–14 May 2022.

Angela Johnson – *BEEP Biennial Exhibition of Painting 2022*, Elysium Gallery, Swansea. 29 July–10 September 2022.

Anastasia Belyukova/Tribambuka – solo exhibition, *Right to Rage*, OXO Tower Wharf, London. 3–6 November 2022.

Blue Curry – *Lovely View*, Way Out East Gallery, University of East London, AVA Building, Docklands Campus, London. 22 November–3 December 2022.

Caroline Walker – *Lisa*, Stephen Friedman Gallery, London. 29 April–28 May 2022.

Cathy Lomax – *Animal, Vegetable, Mineral*, The Art Station, Saxmundham, Suffolk. 2 December 2022–29 January 2023.

Chila Kumari Singh Burman – awarded an MBE in the Queen's Birthday Honours list. June 2023.

Dafna Talmor and Hannah Hughes – *Glossaries*, Sid Motion Gallery, London. 2 December 2022–4 February 2023.

David Batchelor – *Colour Is*, Compton Verney, Warwickshire. 25 June–2 October 2022.

Disinformation (Joe Banks) – *The Rapture*, Cable Depot, Woolwich, London. 7 June–31 July 2022.

Emma Cousin, Liane Lang and Caroline Walker – all had work featured in *Girl Meets Girl*, Vestfossen Kunstlaboratorium, Øvre Eiker, Norway. 7 May–25 September 2022.

Emma Hart – *Poor Things*, Fruit Market, Edinburgh. 4 March–21 May 2023.

Emma Prempeh – *With Tenderness*, Tiwani Contemporary, Gallery 1, Frieze, No.9 Cork Street, London. 3 March–1 April 2023.

Hugh Mendes – solo show exhibited by Charlie Smith London at British Art Fair, Saatchi Gallery, London. 29 September–2 October 2022.

Julian Perry – Galloper-Sands Residency Exhibition, *Hiding in Plain Sight*, The Barns, White House Farm, Great Glenham, Suffolk. 24 September–27 November 2022.

Kate Bickmore – *Figuration Through Abstraction*, ABR Contemporary, 1680 Meridian Ave, Miami Beach, USA. 28 November–3 December 2022.

Laure Prouvost – major solo participatory presentation, Lisson Gallery at Frieze London, Regent's Park, London. 12–16 October 2022.

Lydia Gifford – *Abstract Colour*, Marlborough Gallery, Mayfair, London. 26 January–10 March 2023.

Milly Peck – *Front of House*, VITRINE, Fitzrovia, London. 22 July–18 September 2022.

Minyoung Choi – duo show at This Weekend Room, Seoul, South Korea. 25 May–19 June 2022.

Mohammed Sami – *The Point 0*, Camden Arts Centre, London. 27 January–28 May 2023.

Nevina Williams – *Little Treasures*, Galleria de Marchi, Bologna, Italy. 28 May–8 June 2022.

Pam Hogg – *They Burn Witches Don't They*, A/W 23 collection launch, London Fashion Week, London. February 2023.

Phillip Lai – first monograph charting the artist's sculptural development over the last two decades, published by Ridinghouse 2022.

Polly Townsend – 2022/23 Artist in Residence to the Antarctic.

Polly Townsend and Zoe Benbow – *A Wider Landscape*, The Alpine Club, 55 Charlotte Rd, London. 13 September–10 November 2022.

Prem Sahib – *Liquid Gold*, outside Southard Reid gallery, 10–16 Grape Street, London. 20 July–29 August 2022.

Rebecca Byrne, Hannah Hughes, Karen Knorr, Liane Lang, Marie Harnett, Simon Leahy-Clark – *An Exhibition of Small Things with Big Ideas*, White Conduit Projects, Islington, London. 3 December 2022–20 January 2023.

Robyn Litchfield – *Royal Academy Summer Exhibition*, London. 21 June–21 August 2022.

Sara Naim – *Rose Tinted*, The Third Line, Dubai, UAE. 12 May–8 July 2022.

Simon Leahy Clark – *The Anxiety of Interdisciplinarity*, The Island Venue, Bristol. 21–24 September 2022.

Stephen Nelson – *Little Wretches*, Ken Artspace, London. 1 June–2 July 2022.

Thomas Hjelm – selected as one of Saatchi Art's Global Rising Stars of 2022.

Zadie Xa – *House Gods, Animal Guides and Five Ways 2 Forgiveness*, Whitechapel Gallery, London. 20 September 2022–30 April 2023.



Karen Knorr, *The Grand Monkey Room 3*

Artist Support

Artist Development

SPACE supports artists and creative businesses to run resilient and sustainable practices through free professional development programmes run in person and online.

London Creative Network 2016–2023

Our flagship professional development programme for artists and creatives, London Creative Network (LCN), came to an end in March 2023. From 2016 until 2023 SPACE, in partnership with Four Corners, Cockpit and Photofusion, delivered 26,500 hours of live business support to 1,145 creative participants.

The final evaluation report by BOP Consulting identified the following key outcomes:

- LCN led to improved business management skills and confidence and strengthened industry networks.
- LCN supported participants in developing new processes and techniques, stimulating innovation and growing new creative directions.
- There are indications that participation in LCN is leading to improved business performance.
- LCN provided tailored support and filled a gap.
- LCN facilitated effective partnership working.

"The new-found confidence, support and advice that I received from the programme really gave me the push that I needed" – LCN participant

"Being part of LCN has had a big impact on me and my business. It allowed me to gather a collection of tools that I believe will change many aspects of my business." – LCN participant

Creative Practitioner Support Programme (CPSP)

We continued to grow SPACE Colchester's Creative Practitioner Support Programme this year, offering fortnightly peer-to-peer feedback sessions. From 2022 the group was once again able to meet in person at our Colchester venue. We continued to offer online sessions alongside this, enabling more artists from across the UK to join. Our dedicated CPSP Facebook Group now numbers over 500 members. The programme is open to all creatives, whether studying, graduated, emerging or re-emerging, and provides a great opportunity to gain feedback on work in progress in a relaxed, friendly and informal setting.

Out of SPACE Podcast

Initially launched in 2021 with funding from the Culture Recovery Fund, this podcast series features artists from across SPACE's studios and networks in conversation with writers, critics and other art professionals. Highlights from 2022 include SPACE studio artist Laure Prouvost and residency artist Lina Lapelytė in conversation.

In October 2022, a special series of 4 episodes produced in collaboration with a-n offered insights into how artists make a living, from practical matters relating to selling and funding artwork, to questions of self-worth and self-promotion. All podcasts are available on our website.

Studio Awards

Our awards provide artists with free studio space and mentoring support, relieving artists' financial pressure to progress their practice.

Our Patrons and Friends this year supported a bursary studio for recent graduates in Ilford, and we are very grateful for their generosity. In addition, from 2022-24 SPACE Colchester is awarding four emerging artists who are under-represented in the art world with six months of free studio space and mentoring support in our Colchester building.

Other studio award partners this year were Alumno/Goldsmiths, New Contemporaries, and the Valerie Beston Artists' Trust.

In 2022/23 the following artists received a Studio Award:

Isobel Bedeau: SPACE Ilford Patrons & Friends Studio Award 2022

"The studio has given me a space to develop the scale and depth of my work, experimenting with the colour and textures of forest forms and natural landscapes."

Jenő Davies: SPACE X Alumno & Goldsmiths Studio Award 2022

"Having the studio has been fantastic. I've loved the time I have spent there and it's been so beneficial to have such an incredible space all to myself. I was able to put on a show back in the summer. This would have been impossible without access to this space so thank you so much."

Emma Prempeh: Valerie Beston Artists' Trust Award 2022

Emma Prempeh works in large scale painting and mixed media and her work portrays the intangible aspects of the human experience, dealing with themes around time and space in the physical and literal sense.

Rosa-Johan Uddoh: SPACE X New Contemporaries Studio Award 2022

"I am so grateful for the New Contemporaries studio at SPACE. This will give me space, time and stability to be reflective and experimental in my practice, working towards longer-term goals in a sustainable way. Over the next year, I'll be using the studio to write, film, dance and make more giant sculptures that make you zoom in to issues of race and representation."

Charlotte Frost: SPACE Colchester Studio Award April–September 2022

"Having Ehlers Danlos syndrome and being a new mum on top of renovating our new house means that I have not had the income, time or mental capacity to be able to practise art. This award means that I will have the space and materials to be able to return to my work and experiment with new ideas that have been brewing. I am looking forward to returning to my projection and textual work and combining this with my new-found passion in painting and I cannot wait to share what these next six months will bring."

Sophia Ede: SPACE Colchester Studio Award October 2022–March 2023

"As an emerging artist I am incredibly grateful for the opportunity to practise my art without worrying about the costs of studio space and materials. I'm really excited to experiment more with pinhole cameras and to receive guidance and mentorship from fellow artists and photographers, especially as I enter the world of developing my own film."

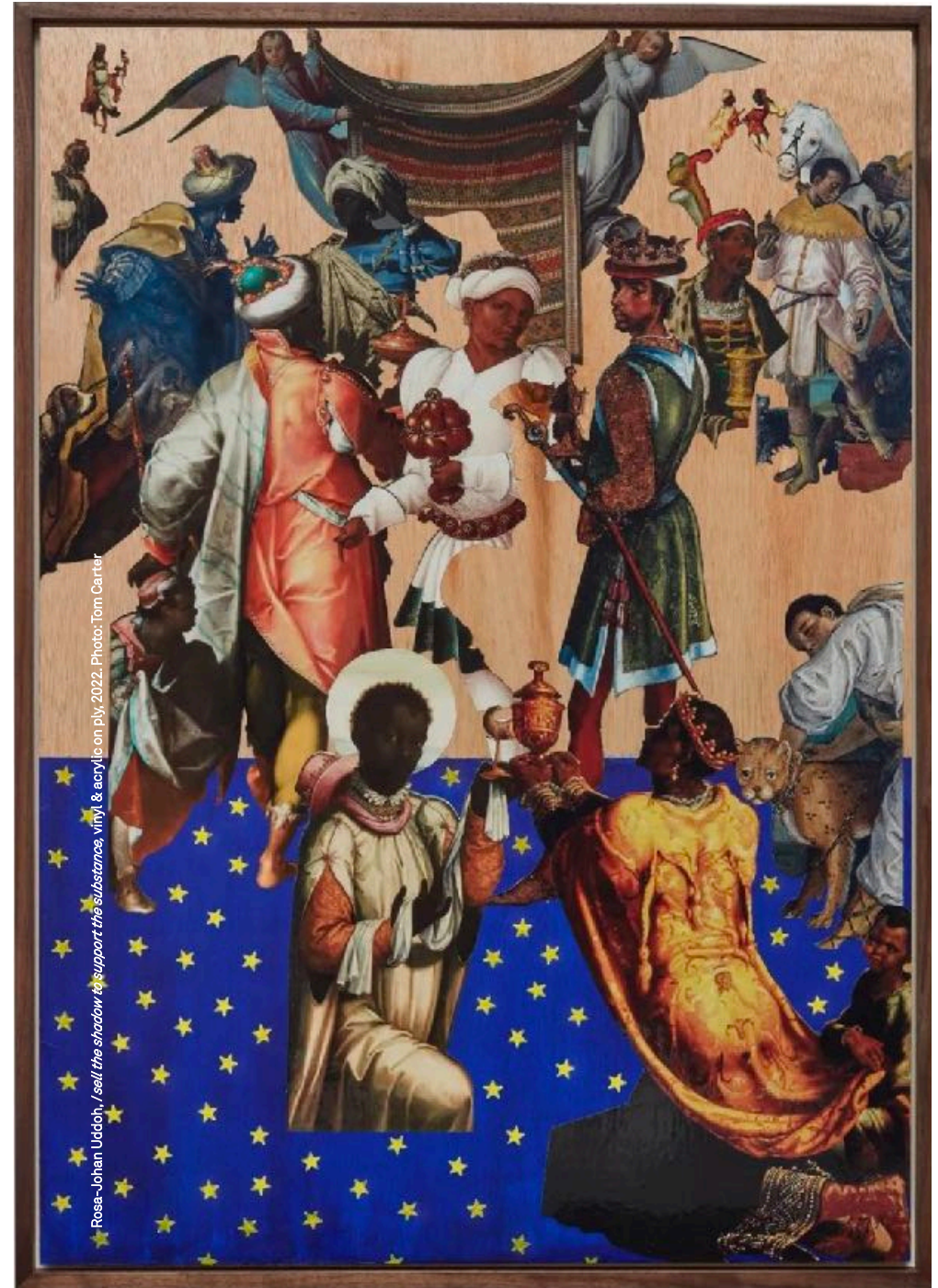
Residencies

UniArts Helsinki Alumni Residency X SPACE

Supported by the Saastamoinen Foundation, this annual residency programme is open to MFA graduates from the Academy of Fine Arts Helsinki and hosted by SPACE. In Autumn 2022, sound artist Ristomatti Myllylahti spent three months at Martello Street. As part of his residency, a Sound Art Peer Group was formed with artists from the SPACE community who met monthly, resulting in an evening performance of Sound Art at Iklectik.

Digital Residencies

With Cultural Recovery Fund (round two) support, SPACE was in 2021 able to offer 12 artists the opportunity to collaboratively create new works digitally, resulting in six online projects. The finished pieces from this project were displayed in a Digital Showcase and launched on 14 July 2022 with a special online presentation and artist discussion.



Rosa-Johan Uddoh, *I sell the shadow to support the substance*, vinyl, & acrylic on ply, 2022. Photo: Tom Carter

Building Creative Communities

SPACE Ilford

At the beginning of 2022 we welcomed award-winning Lithuanian sound artist Lina Lapelytė for a six-month residency. Through a series of workshops funded by the Who Cares? programme, she worked with Redbridge residents exploring listening as a way of experiencing place, self, and others in the local area. *Here Hear Hare Hair*, an immersive sound installation responding to Lapelytė's interactions with the local area and community, and challenging the concept of care, launched in the gallery in May 2022.

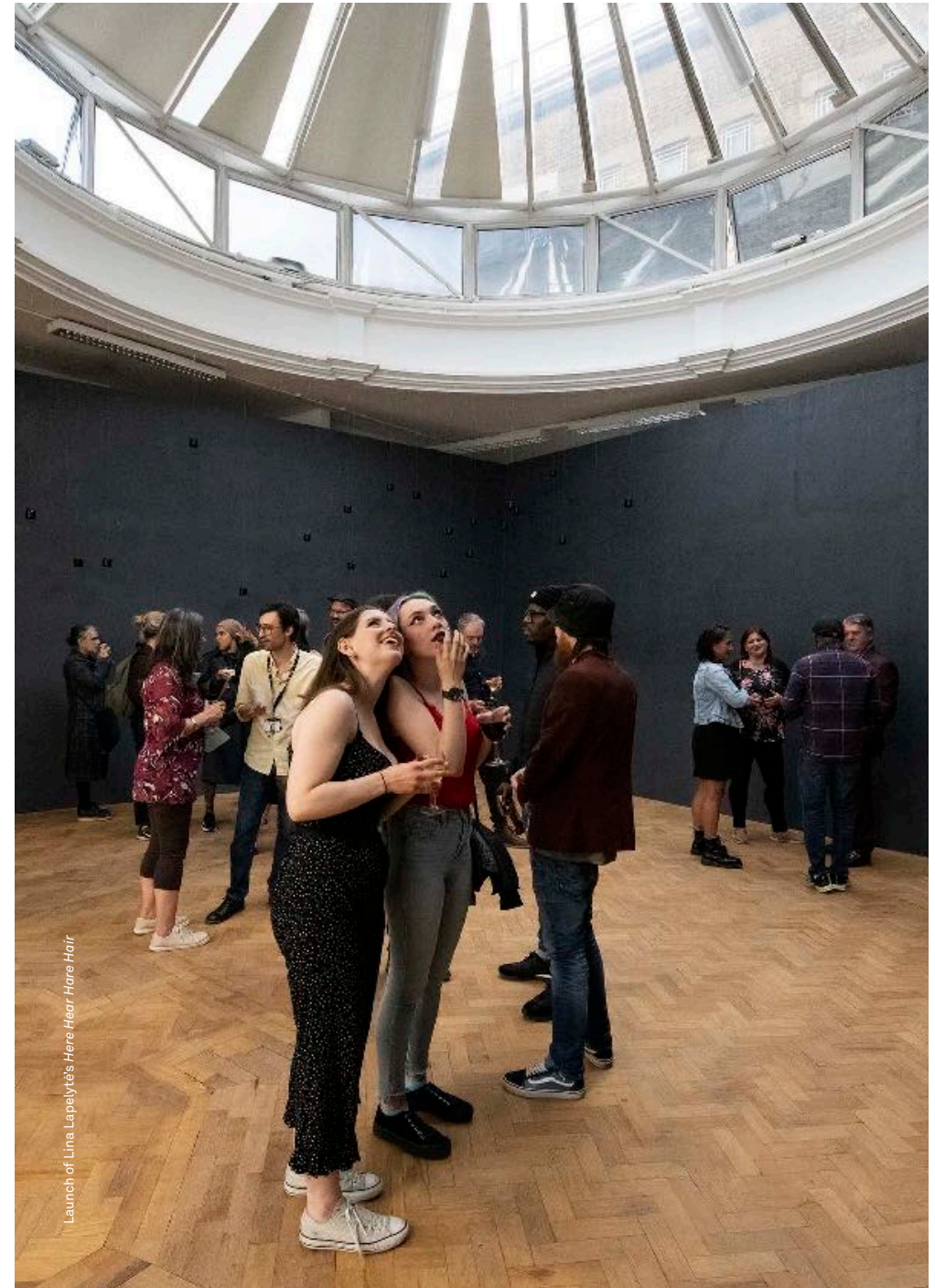
In June 2022 SPACE partnered with Vision RCL and supported Tech Ilford with a creative workshop facilitated by artist Kristina Pulejkova where visitors interacted with AI technology, turning their animal drawings into sounds using a mobile phone app.

From July to September 2022, thanks to continued funding from Mercers' Charitable Foundation to support older residents in isolation, artist Joanne Tyler was commissioned to run a series of print-themed workshops for the over-55s. The sessions culminated in *Lighthaus*, a co-created exhibition which expressed themes about connection and the impressions left by our interactions with the environment, referencing the Bauhaus movement.

Through listening to local people and our partners, we know there is a wealth of creativity in the borough – what is needed is a safe and welcoming space for intergenerational learning and for local residents to enjoy and create art. As a result, we increased the number of free Saturday workshops on offer. During the year, visitors enjoyed sessions on collage, photography, block printing, model making and more.

Our fourth billboard commission by SPACE studio artist Emily Tracy was unveiled in October 2022. Photographs of Redbridge, both past and present, were contributed through open calls and Redbridge Heritage Centre, and teachers from schools around the borough came together to pool their knowledge and ideas. The results were collaged together to create *Ilford Directory*, a visual directory of archive images of Redbridge together with life tips.

From September 2022 students from Beal High School in Redbridge worked alongside multinational engineering and architect collective Arup, artists super/collider and the River Roding Trust on a five month STEAM project that explored human impact on our waterways. The students carried out local research to consider the ways in which the built environment might be better engineered. Their documented findings were brought together in the exhibition *Changing currents – can we build a better world together?* which opened in February 2023.



The Creative Space at Arlington

Together with the Charitable Services Team of One Housing, SPACE runs an artist-led creative programme for homeless people at Arlington House in Camden, including art, textiles, writing/magazines, music, photography, graphic novel and graffiti workshops. Having moved online during the pandemic, this year the participants were able to showcase their work again in an exhibition at Arlington House in November 2022.

In early 2023, participants also worked on a project to create striking artwork for the borough's bus stops. Facilitated by artists Federico Gallo and Crestina Velia Forcina, the project, *Rebuilding Lives Through Creativity*, saw the resulting artwork reproduced on 55 bus poster locations across Camden.

Urban Voices

Urban Voices is a leading SPACE project that supports 11-16 year olds in Pupil Referral Units (PRUs) who have been excluded from mainstream education. The artist-led project aims to provide these young people with a platform to feel inspired, explore their thoughts and feelings through art, while also developing technical and social skills and finding their public voice within the community. In 2022/23 we ran Urban Voices in Redbridge and in Tower Hamlets.

In partnership with Redbridge Alternative Provision (RAP), a group of students from Key Stages 3 and 4 took part in a week-long project at SPACE Ilford in October 2022 led by artist Levin Haegele, alongside digital media professional Pierre Vella, and assistant Helen Brewer. Students learned how to make and use a pinhole camera, the darkroom and the how's and what's of working as a professional photographer. Six Bronze Arts Awards were achieved by the students as a result of taking part, and the photography works created were displayed in the school after the end of the activities.

Working with London East Alternative Provision (LEAP), the project in Tower Hamlets focused on stop motion animation, led by artist David Crump alongside Pierre Vella. As part of the project, which ran from January–March 2023, students visited an artist studio in Britannia Works and the Vogue x Snapchat: *Redefining the body* exhibition in Central London. Three young people achieved Bronze Arts Awards as a result of taking part.

Open Studios

Starting in the summer of 2022, we were finally able to open our studios again to the public post-pandemic. The first to open in July were six of our Hackney studio buildings, where thanks to *Hello Again, Hackney* funding we were able to hold an extended Open Studios event with over 100 artists taking part. Artists also ran creative workshops for children and families throughout the day, and the event attracted more than 2,600 visitors.

Next were the Summer Open Studios at Britannia Works and Bridget Riley in Tower Hamlets in September 2022, followed by Christmas Open Studios at Timber Wharf in December 2022.



The Creative Space Arlington Bus Stop campaign 2022

Future Plans

Keeping Artists in the City

A long-term key priority is to maintain a resilient portfolio of freehold and long leasehold property for affordable studios to underpin our support for artist production and public benefit in perpetuity. We currently own three buildings, and are looking to purchase a fourth to increase our long-term stability. We are also continuing to explore partnerships on properties that offer added value with local authorities, developers, and other partners.

Harnessing a Collective Voice

SPACE is one of the founding members of the London Affordable Artist Studio Network (LAASN). The coming year will be focused on further building LAASN's profile as advocates for artists' economic and cultural contribution to the city's ecology, to protect the territory for artists to operate and enliven boroughs across London.

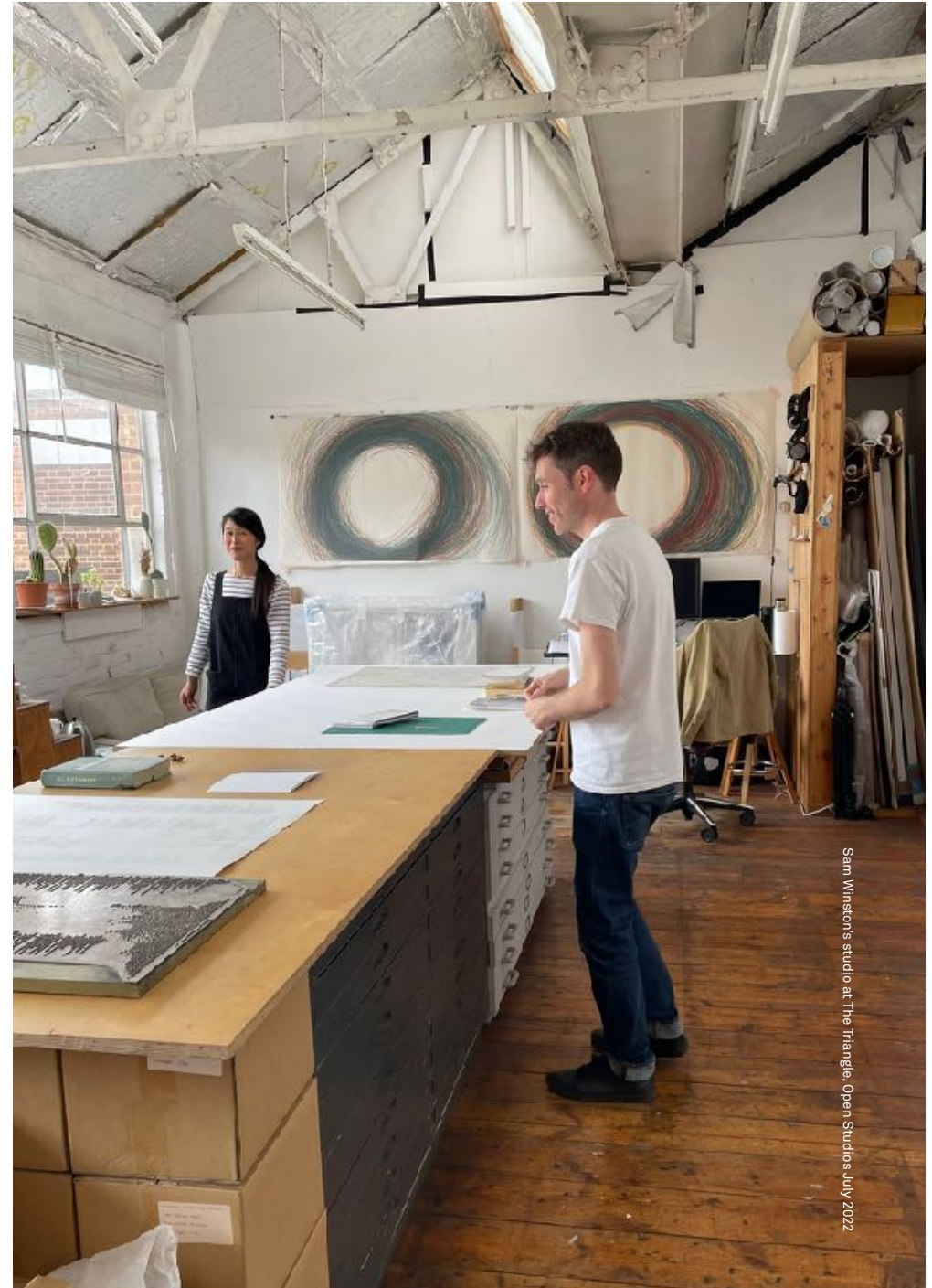
Supporting Aspirations and Resilience

Even though the London Creative Network has now come to an end, its enduring success has strengthened our resolve to continue to provide space, resources and platforms for professional visual artists to develop their creative practice and build resilience. We are currently redeveloping our artist support programme under the umbrella of SPACE Advice Bureau, and are actively looking for new opportunities.

A Holistic Community-Focussed Approach

Since we have been able to fully open again to the public, we have been steadily building a trusted local audience for our programmes at SPACE Ilford. We strongly believe in taking time to reflect, and in light thereof are looking to adapt our programme where we can improve, in order to create a unique public programme which is built with and embraced by our audiences and fully reflects Ilford's diversity.

We are continuing our highly valued place-based partnerships in Arlington and Colchester, with our Urban Voices programme supporting young people across London.



Financial Overview

Income/Expenditure

Our overall result of £1,534,133 this year is greatly impacted by the fact that under standard accounting rules we had to release through our profit-and-loss account a significant amount from our reserves that we had prudently set aside over the past years for potential lease-end obligations.

However, setting aside this event, we can report our core financial results over the year were back in the black after our reported loss over the previous year, with an underlying overall positive result of £286,774.

Not taking into account the released amount, income from studios represented 84% of SPACE's revenue, with occupancy in the studios continuing at over 95%. Grants and donations represented 13% of income (boosted by a generous donation by Bridget Riley), while other income represented 3%.

Arts Council England continued to recognise the work of SPACE by providing National Portfolio core funding totalling £225,291 towards our programme.

Reserves Policy

SPACE held total unrestricted funds of £8,800,187 as at 31 March 2023. Within the total unrestricted funds, £2,713,900 has been set aside as funds tied up in the buildings while a further £1,850,000 has been designated, to be utilised in potential new freehold acquisition or long leasehold developments requiring significant investment. The unrestricted funds are net of significant provisions made in the account to cover potential essential upgrades and repair works needed to meet obligations under Health and Safety legislation; and potential dilapidations responsibilities under current property leases. These address our minimum obligations as a landlord, whilst ensuring that we keep rents to artists as low as possible.

To ensure resilience, the trustees have set a minimum free reserve target of three months' worth of total operating costs, being the appropriate level necessary for the charity to continue its normal activities in the event of a significant drop in income. On the basis of past and current costs data, the required minimum target range is £1,100,000 to £1,300,000, with actual free reserve position being £3,101,660 at 31 March 2023. The surplus is earmarked to be used for future capital projects.

The trustees consider that SPACE is a going concern, based on having a robust business plan in place, excellent management ensuring the studios occupancy levels remain high, and that debtors and creditors are effectively handled. The cash flow, monthly management accounts, up to date and review of studio occupancy levels are monitored on a monthly basis by senior management and trustees and swift action taken if there are major concerns.

We are satisfied that SPACE has sufficient reserves in place to withstand any challenges in the year ahead.

Investment Policy

The charity's investments are managed in accordance with its governing document, having regard to the Trustee Act 2000. Funds not immediately required for the activities of the charity were held in low risk cash deposits throughout the year.

Fundraising

Fundraising, development and partnership working make a vital contribution to our income and impact.

We are extremely grateful to Bridget Riley, one of our founders, for her very generous donation this year.

In November 2022 we were delighted to receive confirmation from Arts Council London that SPACE would continue to be supported annually via the National Portfolio Organisation fund from April 2023–March 2026.

The generosity of our Patrons & Friends enables SPACE to support artists in various ways, whether through bursaries, commissions, or professional development.

We have complied throughout the year with industry fundraising standards. Fundraising activities are monitored by senior management and at trustee meetings. No fundraising complaints have been received.

Structure, Governance and Management

Art Services Grants Limited (t/a SPACE) was set up in 1968. In 1974 it was formally registered as a charity and incorporated as a company limited by guarantee, which does not have a share capital. The company is governed by its articles of association, which were last updated on 24 January 2023.

The members of SPACE are:

- trustees
- any studio licence holder (excluding any sub-licensee)
- any salaried employee who has successfully completed their probation period, and any person who has been employed by the charity on a contract of at least three months.

The trustees are the directors of the company. They do not have any financial interest in the company nor are there any significant contracts in which any trustee has a material interest.

Organisational Structure and Board of Trustees

The charity is managed by the Board of Trustees who may serve up to six years retiring for re-election on a triennial basis. Trustees may co-opt further advisors. The trustees are responsible for the strategic direction and policy of the charity, and meet quarterly. The trustees appoint the Chief Executive to whom the day to day running of the charity is devolved.

The Board has had a full complement of trustees throughout the year. During the year, our Trustees Mary Evans and Lise Autogena both had to resign due to external

commitments, and we are grateful for their dedication to SPACE. We have since welcomed three new Trustees to the Board. New trustees are appointed based on a regular skills audit of key competencies required by the trustee board. New trustees meet with the Chair, Chief Executive and other key staff as part of an induction process, and are provided with a full induction pack covering constitutional, policy and financial background, and trustee responsibilities. Ongoing training is provided to trustees throughout the year.

Meeting twice a year, the Property Working Group supports the Board of Trustees, addressing in particular how to increase the number of studios (location, type, tenure etc.) and to improve the sustainability of SPACE through long leasehold or freehold purchases. The Property Working Group includes co-opted experts and reports to the Board of Trustees. The trustees are grateful for generous support from its Property Working Group members: Alan Leibowitz (Chair), Chris Currell (Trustee), David Silverman (Trustee), Rory Brooke, Selina Mason, Toni Lodeiro and William C. Stein. We also thank our property advisors at Dalton Warner Davis, who acted on our behalf throughout the year.

Our Finance and Remuneration Committee is responsible for approving salaries and the annual financial audit.

In January 2023 we amended our 2005 memorandum and articles of association to update them in line with the Companies Act 2006 and Charities Commission current best practice. We are in the process of updating our Standing Order, which establishes our committees' remit and authority. This means that other than our core committees (Property Working Group and Finance & Remuneration Committee) we are currently rethinking how best to support our Board of Trustees with additional committees. In the meantime, all relevant issues are being discussed by the full Board.

Remuneration Policy

When setting remuneration for its staff, SPACE takes account of market rates and other relevant data relating to charities of a similar size, operational activity and workplace location. The remuneration of Senior Management is the responsibility of the trustees and is set in the light of the skills and competencies required for particular roles and within the constraints of affordability.

Risk Management

Risk management takes place at all levels. Operational risks are passed up for review and approval; organisation level risks are communicated down. Risk is addressed in the appraisal stages of project development. Each staff member and trustee is responsible for managing risks. SPACE acknowledges the need to tolerate a level of risk, with risks clearly identified in financial and artistic programme planning, with practices in place to manage them. Our core mission of providing for artists' production needs drives our risk profile in a cost-effective and artist-focused way. Additional programmes are provided as and when funds are available and when they enhance the organisation's mission strategically.

SPACE has a business continuity plan to cover all potential operational considerations, and an annual review of priorities ensures we meet objectives effectively. SPACE evaluates and responds to risk at regular internal meetings including at monthly studios management meetings, and maintains a risk register which is reviewed by trustees every quarter.

Current Key Risks and Uncertainties

- Increase in studio costs threatening affordability of studios;
- Reduced operating margins within the existing property portfolio due to substantial inflationary cost and energy price increases;
- Threat to programmes fundraising resulting from fundraising uncertainty, pressure on funding bodies, the end of EU funding, and change of funding priorities;
- Impact of inflationary environment and energy price rises on tenants' ability to meet their rent obligations, potentially leading to voids, increased arrears and bad debts;
- Loss of studio spaces when some of our larger leases end;
- Limited affordable long-term leaseholds and freeholds available to add to current portfolio;
- Ability to meet Minimum Energy Efficient Standards (MEES) requirements (e.g. EPC), resulting in loss of income due to resulting inability to let space, and environmental risk;
- A renewed outbreak of Covid-19 or new variants thereof, and subsequent measures imposed by the authorities, could adversely affect our activities, results of operations and financial condition.

Key Policies

Equality, Diversity & Inclusion

SPACE is committed to promoting diversity, inclusion and equality of access and opportunity to all staff, artists, suppliers, participants and partners – from all backgrounds and all sectors of society – ensuring they are part of our community, valued for their contribution and are able to flourish and succeed. We aim to identify barriers to progress, tackle inequality and act to address underrepresentation of diversity in governance, employment, our support for artists, widening participation and developing audiences.

Our Equality, Diversity and Inclusion Policy is reviewed every year by our Board of Trustees and the latest version is available on our website.

Sustainability and Environment

SPACE has a genuine concern for the environment, and we recognise that climate change is one of the defining global challenges of our time. We therefore firmly believe that embracing green best practices is our social and moral responsibility. We strive to continually assess and reduce our overall environmental impact and are committed to making environmental responsibility an integral part of our operations and activities, while maintaining long-term affordability for artists.

Our Sustainability & Environmental Policy is reviewed every four years by our Board of Trustees and the latest version is available on our website.

Statement of Trustee Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing 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 and the statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the 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 so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

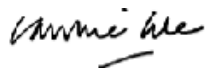
Small Company Rules

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Auditors

Haysmacintyre LLP were the appointed auditors during the year and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The Trustees' Report has been approved by the Board of Trustees on 17 October 2023 and is signed on behalf of the Board by the Chair.



Caroline Cole
Chair



Laure Prouvost - Photo: Harry Kamplianne

INDEPENDENT AUDITOR'S REPORT

to the members of Arts Services Grants Limited

Opinion

We have audited the financial statements of Art Services Grants Limited for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2023 and of the charitable company's net movement in funds, including the 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.

Basis for opinion

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

Opinions 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' 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 by the charitable company; or
- the charitable company 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 16, 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 charitable company'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 charitable company 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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety requirements, GDPR, employment law, company and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Companies Act 2006 and consider other factors such as payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud
- Review of minutes of meetings;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates in particular the dilapidations provision and the property valuation at year end.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our 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 members those matters we are required to state to them in an Auditor's 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Weaver

Richard Weaver (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor
15th November 2023

10 Queen Street Place
London
EC4R 1AG



FINANCIAL STATEMENTS

Statement of Financial Activities for the Year Ended 31 March 2023 (incorporating the Income and Expenditure Account)

	Note	Unrestricted Revenue Funds £	Restricted Revenue Funds £	Restricted Capital Funds £	Total 2023 £	Total 2022 £
Income from:						
Donations	2	204,100	-	-	204,100	6,660
Investments	3	52,456	-	-	52,456	4,121
Charitable activities	4	4,812,805	248,637	-	5,061,442	4,644,838
Other trading activities	5	48,598	75,626	-	124,224	93,541
Total Income		5,117,959	324,263	-	5,442,222	4,749,160
Expenditure on:						
Hires and fundraising	6	25,425	-	-	25,425	26,155
Charitable activities	6	3,368,405	379,353	134,906	3,882,664	5,119,392
Total Expenditure		3,393,830	379,353	134,906	3,908,089	5,145,547
Net Income/(Expenditure)		1,724,129	(55,090)	(134,906)	1,534,133	(396,387)
Transfer between funds	15	(58,318)	58,318	-	-	-
Net movement in funds		1,665,811	3,228	(134,906)	1,534,133	(396,387)
Fund balances at 1 April 2022		7,134,376	6,766	988,908	8,130,050	8,526,437
Fund balances at 31 March 2023	15	8,800,187	9,994	854,002	9,664,183	8,130,050

There were no other recognised gains or losses during the two financial years.

Within total funds, the amount tied up in artists' studios and other operational buildings, after deducting loan financing, is £3,716,456 within general funds and £854,002 within restricted funds.

The notes on pages 23-35 form part of these financial statements.

Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed Assets			
Tangible assets	10	7,377,252	7,879,813
Current Assets			
Debtors	11	871,098	902,919
Cash on short term deposit at bank and in hand		<u>6,308,909</u>	<u>5,464,578</u>
		7,180,007	6,367,497
Creditors: Amounts falling due within one year	12	(2,045,105)	(3,181,238)
Net Current Assets		<u>5,134,902</u>	<u>3,186,259</u>
Total Assets Less Current Liabilities		12,512,154	11,066,072
Creditors: Amounts falling due after more than one year			
	13	(2,847,971)	(2,936,022)
Total Net Assets		9,664,183	8,130,050
Funds			
Unrestricted Funds	15	7,797,631	6,104,319
Revaluation Reserve	15	1,002,556	1,030,057
Restricted Funds	15	863,996	995,674
Total Funds		9,664,183	8,130,050

Approved by the Board of Directors and authorised for issue
on 17 October 2023, and signed on their behalf by the Chair.



Chair: Caroline Cole
Registered Company No. 1157240

Statement of Cash Flows for the Year Ended 31 March 2023

	2023	2022
	£	£
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
	Note	
Net income/ (expenditure) (as per the statement of financial activities) ^{SOFA}	1,534,133	(396,387)
Adjustments for:		
Depreciation charges	10 553,778	574,521
Investment income	(52,456)	(4,121)
Interest cost	131,648	90,972
(Increase)/decrease in debtors	11 31,821	112,669
Increase/(decrease) in creditors	12 (1,107,028)	201,584
Net cash provided by/(used in) operating activities	1,091,896	579,238
Cash flows from investing activities:		
Interest income	52,456	4,121
Purchase of property, plant and equipment	10 (51,217)	(266,561)
Net cash provided by/(used in) investing activities	1,239	(262,440)
Cash flows from financing activities		
Repayments of borrowing	(117,156)	(132,853)
Interest cost	(131,648)	(90,972)
Net cash used in investing activities	(248,804)	(223,825)
Change in cash and cash equivalents in the reporting period	844,331	92,973
Cash and cash equivalents at the start of the reporting period	5,464,578	5,371,605
Cash and cash equivalents at the end of the reporting period	6,308,909	5,464,578
Analysis of cash and cash equivalents		
Cash in hand	6,308,909	5,464,578
Total cash and cash equivalents	6,308,909	5,464,578

Notes to the Financial Statements for the Year Ended 31 March 2023

1. Accounting policies

a) Accounting convention, basis of preparation: The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

b) Going concern basis: The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have carefully reviewed the charity's strategy and its accompanying budgets and cash flow projections and are confident of its ability to generate sufficient cash flow for operational sustainability. Taking this into account together with the level of cash, the trustees have therefore concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

While SPACE's financial resilience has been tested by macro-economic factors such as the interest rate hikes, increased energy costs, and the cost of living crisis, the robust approach to its financial management has enabled the organisation to navigate such challenges, maintaining its position.

c) Fixed assets: All fixed assets, except Deborah House freehold property which has been stated at revalued amount, are recorded at cost. Amounts incurred on capital items over £500 are capitalised.

Depreciation rates and possible impairment are reviewed on an annual basis.

Tangible fixed assets are depreciated at annual rates to write off the cost of the assets over their estimated useful lives using the following methods and rates:

	% per annum	Method
Equipment	33%	Straight line
Motor vehicle	25%	Straight line
Computer software	50%	Straight line
Freehold buildings	4%	Straight line

Depreciation for development costs relating to leasehold buildings is on straight line basis over the remaining lease period.

Major external paintings required by leasehold contracts are treated as dilapidation costs, capitalised and depreciated between 5-7 years, depending on the painting cycles as stipulated in the leasehold contract.

d) Incoming resources: Rental income and donations are recognised when there is evidence of entitlement, the receipt is probable and the amount can be measured reliably.

Grants, where entitlement is conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

e) Expenditure and its basis of allocation: All expenditure is dealt with on the accruals basis and includes value added tax where appropriate. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services. It includes direct costs of activities and those costs of an indirect nature necessary to support those activities, allocated between expenditure categories on an appropriate basis.

Support costs have been allocated to activities on the basis of time spent for staff costs, floor area for property costs and activity levels for all other costs, in accordance with the Statement of Recommended Practice.

Fundraising costs incurred are comprised of costs of generating income from donations and legacies, short term hire of spaces and marketing and publicity.

Governance costs which are included within support costs are those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

f) Dilapidations costs: Provision is made in the accounts for dilapidation costs of leased properties with funds designated to this aim. Such costs are arrived at based on yearly internal assessment of probability of costs materialising at the balance sheet date.

g) Operating leases: All payments under operating leases are charged to the statement of financial activities in the year in which they fall due.

h) Pension policy: The company provides a defined contribution pension scheme for its employees and contributions payable for the year are charged to the Statement of Financial Activities as incurred.

i) Fund accounting: The unrestricted funds are rent and other income receivable or generated for the objectives of the charity without further specified purpose, and are available as general funds.

The restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

j) Critical accounting estimates and areas of judgment: In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have the most significant effect on amounts recognised in the financial statements.

The annual depreciation charge for property, plant and equipment is sensitive to change in useful economic life and residual values of assets. These are reassessed annually and an impairment review is performed.

Within the creditors balance are estimates of provisions for potential future expenditure on properties. These judgements are based on the likelihood of such expenditure occurring.

k) Employee benefits: The costs of short-term employee benefits are recognised as a liability and an expense.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

l) Financial instruments

- 1. Cash and cash equivalents:** Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.
- 2. Basic financial instruments:** The charity only holds basic financial instruments as defined by FRS 102. Financial instruments receivable or payable within one year of the reporting date are carried at their at transaction price and subsequently at amortised cost.

	Unrestricted Funds £	Restricted Funds £	Total £
2. Income from donations			
Year to 31 March 2023			
Donations	204,100	-	204,100
Year to 31 March 2022			
Donations	6,660	-	6,660
	Unrestricted Funds £	Restricted Funds £	Total £
3. Income from investments			
Year to 31 March 2023			
Bank interest	52,456	-	52,456
Year to 31 March 2022			
Bank interest	4,121	-	6,660

	Unrestricted Funds £	Restricted Funds £	Total £
4 (a) Income from charitable activities			
Year to 31 March 2023			
Grants (4b)	242,715	248,637	491,352
Rental income	4,570,090	-	4,570,090
	4,812,805	248,637	5,061,442
4 (b) Grants			
Year to 31 March 2023			
Arts Council England: NPO Core Funding	225,291	-	225,291
Ove Arup & Partners Ltd	17,424	-	17,424
Fundacion Centro	-	29,202	29,202
Mercers Philanthropy	-	15,538	15,538
Aetreum Asse Ltd	-	11,770	11,770
London Borough of Hackney	-	10,000	10,000
BBC Children in Need	-	10,447	10,447
Saastamoinen	-	12,000	12,000
Action for Bow	-	11,701	11,701
European Regional Development Fund	-	139,073	139,073
Other (individual grants less than £10,000)	-	8,906	8,906
	242,715	248,637	491,352
4 (c) Income from charitable activities			
Year to 31 March 2022			
4(d) Grants	226,208	507,763	733,971
Rental income	3,910,867	-	3,910,867
	4,137,075	507,763	4,644,838
4 (d) Grants			
Year to 31 March 2022			
Arts Council England: NPO Core Funding	225,291	-	225,291
ACE Culture Recovery Fund	-	294,000	294,000
Action for Bow	-	11,120	11,120
Institute of Contemporary Arts	-	20,000	20,000
Mercers Philanthropy	-	15,538	15,538
European Regional Development Fund	-	139,862	139,862
Other (individual grants less than £10,000)	917	27,243	28,160
	226,208	507,763	733,971

	Unrestricted Funds £	Restricted Funds £	Total £		
5. Other trading activities					
Year to 31 March 2023					
Management fees	-	58,356	58,356		
Other income:					
Venue hire	28,284	-	28,284		
Bursary studios	-	5,500	5,500		
Other	20,314	11,770	32,084		
	48,598	75,626	124,224		
Year to 31 March 2022					
Management fees	-	50,808	50,808		
Other income:					
Venue hire	13,573	-	13,573		
Bursary studios	-	5,500	5,500		
Other	7,418	16,242	23,660		
	20,991	72,550	93,541		
6. Total resources expended					
	Studios costs £	Programme costs £	Costs of generating funds £	Support costs £	Total £
Year to 31 March 2023					
Staff costs (see note 8)	324,288	288,409	9,043	198,288	820,028
Other staff related costs	9,104	33,194	5	7,255	49,558
Rent, rates, maintenance and other property costs	1,910,489	22,215	-	20,272	1,952,976
General office expenses	88,832	4,983	13	10,607	104,435
Publicity and marketing	1,483	2,510	11,321	-	15,314
Print, post, stationery	971	125	-	3,669	4,765
Information systems and equipment	1,472	4,625	5,043	31,577	42,717
Bad debts	9,548	-	-	-	9,548
Legal and professional	43,557	16,365	-	8,690	68,612
Depreciation	547,394	-	-	6,384	553,778
Bank charges and interest	127,397	244	-	4,007	131,648
Other programmes costs	25,358	106,370	-	1,462	133,190
Governance costs	-	-	-	21,520	21,520
	3,089,893	479,040	25,425	313,731	3,908,089
Allocation of support costs	263,808	46,837	3,086	(313,731)	
	3,353,701	525,877	28,511	-	3,908,089

Expenditure in total was £3,908,089 (2022: £5,145,547) of which £3,393,830 was unrestricted (2022: £4,607,428) and £514,259 was restricted (2022: £538,119).

6. Total resources expended /continued	Studios costs £	Programme costs £	Costs of generating funds £	Support costs £	Total £
Year to 31 March 2022					
Staff costs (see note 8)	318,138	307,051	8,510	163,640	797,339
Other staff related costs	7,748	6,395	-	27,032	41,175
Rent, rates, maintenance and other property costs	3,143,160	11,718	-	20,395	3,175,273
General office expenses	79,921	2,313	-	10,467	92,701
Publicity and marketing	-	7,558	12,940	-	20,498
Print, post, stationery	81	1,217	-	2,627	3,925
Information systems and equipment	1,308	5,907	2,004	45,306	54,525
Bad debts	1,631	-	-	-	1,631
Legal and professional	150,733	4,920	-	-	155,653
Depreciation	566,470	-	-	8,051	574,521
Bank charges and interest	86,399	149	-	4,424	90,972
Other programmes costs	10,944	104,171	219	1,567	116,901
Governance costs	-	-	-	20,433	20,433
	<u>4,366,533</u>	<u>451,399</u>	<u>23,673</u>	<u>303,942</u>	<u>5,145,547</u>
Allocation of support costs	266,968	34,492	2,482	(303,942)	
	4,633,501	485,891	26,155	-	5,145,547

7. Net incoming resources	2023 £	2022 £
Net incoming resources are stated after charging:		
Auditors' remuneration	18,250	15,000
Depreciation	553,778	574,521
Rentals paid under operating leases – property	1,890,054	1,928,959

8. Staff costs	2023 £	2022 £
Wages and salaries	716,720	701,404
Pensions	27,477	28,411
Social security costs	75,831	67,524
	820,028	797,339

There was one employee during the year whose emoluments, excluding pension costs, was over the threshold of £60,000 (2022: 1). No emoluments or expenses were paid to the trustee directors during the year (2022: 0). There was no staff redundancy cost during the year (2022: 0)

The average weekly number of employees during the year was:

Studios	8	8
Programmes	8	10
Cost of generating funds	1	2
Support	4	4
	21	24

Key management personnel include the Trustees, Chief Executive and senior management reporting directly to the Chief Executive, including Finance Director, Properties Director, Studios Director, Operations Director, Strategic Development Director and Communications Director. The total employee benefits, including pension costs, of the charity's key management personnel were £387,620 (2022: £320,675).

9. Taxation

The company was registered as a charity in February 1974 and consequently no corporation tax is payable on the results for the year.

	Freehold Properties	Leasehold Properties	Office Equipment	Motor Vehicles	Total
	£	£	£	£	£
10. Tangible fixed assets					
Costs:					
At 1 April 2022	9,242,866	3,783,339	189,005	15,607	13,230,817
Additions	6,132	37,546	7,540	-	51,218
Disposals	-	-	-	-	-
At 31 March 2023	9,248,998	3,820,884	196,545	15,607	13,282,035
Depreciation:					
At 1 April 2022	2,395,863	2,767,023	179,816	8,302	5,351,004
Charge for year	272,238	271,955	6,384	3,202	553,778
Disposals	-	-	-	-	-
At 31 March 2023	2,668,101	3,038,977	186,201	11,503	5,904,782
Net book value					
As at 31 March 2023	6,580,897	781,907	10,345	4,103	7,377,252
As at 31 March 2022	6,847,003	1,016,316	9,189	7,305	7,879,813

The Mayor and Burgesses of The London Borough of Hackney hold a fixed charge over certain leasehold buildings. Arts Council England holds a fixed charge over our freehold properties and a floating charge over the Charity assets and undertakings.

	2023 £	2022 £
11. Debtors		
Rental debtors (including electricity costs recharged to tenants)	166,350	136,013
Other debtors	6,799	21,450
Prepayments	490,392	456,339
Accrued income	207,557	289,117
	871,098	902,919

	2023 £	2022 £
12. Creditors: amounts falling due within one year		
Tenant deposits held on account	121,600	121,550
Rental creditors	101,190	116,230
Other taxes and social security costs	21,434	23,013
Bank loan	98,302	127,407
Trade creditors	282,025	410,637
Other creditors	9,619	9,637
Accruals and deferred income	1,410,935	2,372,764
	2,045,105	3,181,238
Analysis of deferred income:		
Balance as at 1 April 2022	37,557	45,360
Amount received in the year	-	25,338
Amount released in the year	37,557	33,141
Balance as at 31 March 2023	-	37,557

	2023 £	2022 £
13. Creditors: amounts falling due after one year		
Bank Loans		
Amounts falling due:		
Between one to two years	103,856	129,278
Between two to five years	347,810	405,924
Over five years	2,396,305	2,400,820
	2,847,971	2,936,022

The long term creditors relate to mortgages used to fund the purchase of artists' studios and improvements to existing artists' studios, programme space and office buildings.

The bank loans are secured by fixed charges over the related freehold properties. Triodos Bank also holds various fixed and floating charges over the Charity assets and undertakings. The loans are repayable under various terms of length. Interest is charged at the rate of 2% p.a. above the prevailing base rate.

14. Share capital

The company is limited by guarantee and has no share capital. Under the terms of clause 8 of the Articles of Association, every member is liable to contribute a sum not exceeding £1 in the event of the Charity being wound up during the time that he or she is a member or for one year thereafter.

	At 1 April 2022	Incoming Resources	Resources Expended	Transfers	At 31 March 2023
	£	£	£	£	£
15. Reserves					
Year to 31 March 2023					
Unrestricted funds					
General reserve	1,504,493	5,117,959	(3,393,830)	(266,441)	2,962,181
Designated funds					
(1) Property funds for assets funded internally	2,924,826	-	-	(210,926)	2,713,900
(2) Building acquisition/development fund	1,650,000	-	-	200,000	1,850,000
(3) Designated programmes budget	25,000	-	-	(3,450)	21,550
(4) EPC improvement fund	-	-	-	250,000	250,000
(5) Revaluation reserve	1,030,057	-	-	(27,501)	1,002,556
Total unrestricted funds	7,134,376	5,117,959	(3,393,830)	(58,318)	8,800,187
Restricted funds					
(6) Restricted programme funds - LCN project	-	197,429	(261,800)	64,371	-
(7) Restricted programme funds - other	6,766	126,834	(117,553)	(6,053)	9,994
Total restricted revenue funds	6,766	324,263	(379,353)	58,318	9,994
(8) Restricted capital funds					
Redbridge Town Hall	23,370	-	(13,764)	-	9,606
ACE Capital Works fund	600,820	-	(47,363)	-	553,457
Triangle fund	262,122	-	(65,531)	-	196,591
Bridget Riley Studios fund	2,096	-	(1,048)	-	1,048
Haymerle Road fund	100,500	-	(7,200)	-	93,300
Total restricted capital funds	988,908	-	(134,906)	-	854,002
Total restricted funds	995,674	324,263	(514,259)	58,318	863,996
Total funds	8,130,050	5,442,222	(3,908,089)	-	9,664,183

(1) This relates to the NBV of fixed assets less restricted property funds and total outstanding balance of bank loan for freehold acquisition and re-fitting. Transfer to general reserve is to more accurately reflect the net book value of the buildings and the related mortgages.

(2) Settlement for a property transaction ring fenced for either future acquisition or redevelopment of existing freeholds. To continue building up the fund, a transfer has been made from general reserve.

(3) COVID-19 related grant from the government earmarked for Colchester programmes. The reduction is a reflection of the amount spent on the programme during the year.

(4) Capital commitment to EPC improvement and reducing carbon emission.

(5) Fund relates to the excess of market value over net book value of Deborah House freehold property. The transfer to general fund relates to the yearly amortisation.

(6) LCN project funds reflect expenditure incurred against grant funding received from The Greater London Authority in 2022-23. The transfer from general reserve is in line with matched funding agreement.

(7) Restricted programme funds of which grants been received albeit relevant costs are yet to be incurred in relation to undertaken activities as per terms of the funding agreement.

(8) Restricted property funds are held in respect of capital acquisition and development projects for studio properties which have been funded by restricted capital grants. The cost of such acquisitions/developments is depreciated over the useful life of the capitalised assets.

	At 1 April 2021	Incoming Resources	Resources Expended	Transfers	At 31 March 2022
	£	£	£	£	£
15. Reserves (continued)					
Year to 31 March 2022					
Unrestricted funds:					
General reserve	1,865,571	4,408,847	(4,607,428)	(162,497)	1,504,493
Designated funds:					
(1) Property funds for assets funded internally	2,796,365	-	-	128,461	2,924,826
(2) Building acquisition/development fund	1,650,000	-	-	-	1,650,000
(3) Designated programmes budget	25,000	-	-	-	25,000
(4) Revaluation reserve	1,057,558	-	-	(27,501)	1,030,057
Total unrestricted funds	7,394,494	4,408,847	(4,607,428)	(61,537)	7,134,376
Restricted funds:					
(5) Restricted Programme funds - LCN project	-	190,954	(243,941)	52,987	-
(6) Restricted Programme funds - other	(5,628)	149,359	(145,515)	8,550	6,766
Total restricted revenue funds	(5,628)	340,314	(389,456)	61,537	6,766
(7) Restricted capital funds:					
Redbridge Town Hall	37,134	-	(13,764)	-	23,370
ACE Capital Works fund	648,183	-	(47,363)	-	600,820
Triangle fund	327,653	-	(65,531)	-	262,122
Sara Lane fund	13,757	-	(13,757)	-	-
Bridget Riley Studios fund	3,144	-	(1,048)	-	2,096
Haymerle Road fund	107,700	-	(7,200)	-	100,500
Total restricted capital funds	1,137,571	-	(148,663)	-	988,907
Total restricted funds	1,131,943	340,314	(538,119)	61,537	995,673
Total funds	8,526,437	4,749,161	(5,145,548)	-	8,130,049

For an explanation of these funds, see the narrative on the description to the funds on page 32.

16. Analysis of net assets between funds	General Funds	Designated Funds	Restricted Funds	2023 Total
	£	£	£	£
Fund balances at 31 March 2023 are represented by:				
Tangible fixed assets	863,077	5,660,173	854,002	7,377,252
Net current assets/liabilities	3,101,660	2,023,248	9,994	5,134,902
Long term liabilities	-	(2,847,971)	-	(2,847,971)
Total net assets	3,964,737	4,835,450	863,996	9,664,183
	General Funds	Designated Funds	Restricted Funds	2022 Total
	£	£	£	£
Fund balances at 31 March 2022 are represented by:				-
Tangible fixed assets	902,650	5,988,255	988,908	7,879,813
Net current assets/liabilities	1,631,900	1,547,593	6,766	3,186,259
Long term liabilities	-	(2,936,022)	-	(2,936,022)
Total net assets	2,534,550	4,599,826	995,674	8,130,050

17. Contingent liabilities and other financial commitments

There were no contingent liabilities as at 31 March 2023 (2022:0).

At 31 March 2023, there were total commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2023	2022
	£	£
Operating leases which expire:		
Within one year	213,500	28,500
Between two to five years	4,204,850	5,307,277
Over five years	5,584,318	5,312,450
	10,002,668	10,648,227

18. Related party transactions

There were three related party transactions during the year 2023 totalling £680 (2022:£0).

19. Financial instruments

The financial statements include the following in respect of items held at amortised cost at 31 March:

	2023	2022
	£	£
Financial assets measured at amortised cost (trade and other debtors and accrued income)	380,706	446,580
Financial liabilities measured at amortised cost (trade and other creditors, accruals and bank loans)	612,736	785,461

REFERENCE AND ADMINISTRATIVE DETAILS

COMPANY NO. 1157240

REGISTERED CHARITY NO. 267021

TRUSTEES

(who served during this year and up to the date of this report)

Caroline Cole	Chair
Christopher Currell	
David Silverman	–appointed February 2023
Lise Fandsen	–resigned February 2023
Mary Evans	–resigned November 2022
Miranda Siow	–appointed November 2022
Neal White	–appointed August 2023
Dr Omar Kholeif	
Paulette Mizrahi	
Phil Clark	Treasurer

CHIEF EXECUTIVE

Eline van der Vlist

SECRETARY

Eline van der Vlist

REGISTERED OFFICE & BUSINESS ADDRESS

The Triangle
129-131 Mare Street London E8 3RH

INDEPENDENT AUDITORS

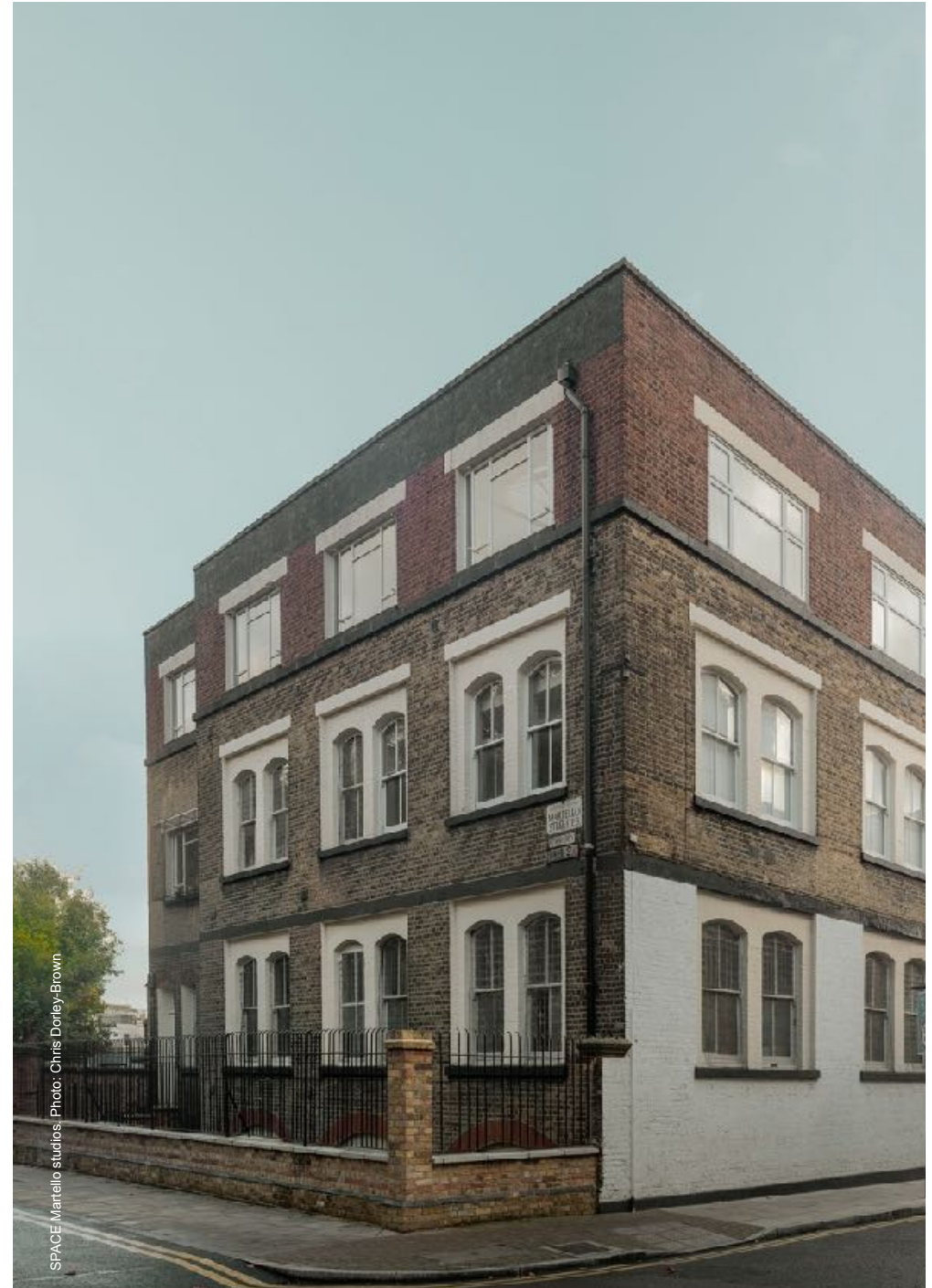
Haysmacintyre LLP
10 Queen Street Place London EC4R 1AG

SOLICITORS

Clyde & Co Solicitors
The St Botolph Building 138 Houndsditch London EC3A 7AR

BANKERS

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COIF Charities Deposit Fund St Alphage House 2 Fore Street London EC2Y 5AQ
Triodos Bank Deanery Road Bristol BS1 5AS



SPACE Martello studios. Photo: Chris Dorley-Brown

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Dafta Jalmar, *Untitled (GI-191919191919-1)*, 2019. C-type handprint made from 6 negatives, 61cm x 67.5cm. Courtesy of Sid Meiron Gallery, London