

HEART N SOUL

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

MYRUS SMITH
Chartered Accountants
Norman House
8 Burnell Road
Sutton
Surrey
SM1 4BW

HEART N SOUL

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HEART N SOUL
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Reference and Administrative Details

Charity name: Heart n Soul
Charity number: 1023467
Company number: 02830733

Registered / Principal office:

The Albany
Douglas Way
Deptford
London SE8 4AG

Trustees:

Kate Linsky, (Co-Chair, from 9 March 2023)
Mark Burgess, Vice-Chair (deceased 27 September 2022)
Simon Platz, Treasurer
Shalim Ali
Lilly Cook (Co-Chair, from 9 March 2023)
Pino Frumiento
Hannah Kent
Michael Price
Tim Adnitt
Sue Williams
Sarah Scott (from 8 December 2022)

Artistic Director / Chief Executive

Mark Williams MBE

Auditor

Myrus Smith Chartered Accountants
Norman House
8 Burnell Road
Sutton
Surrey SM1 4BW

Bankers

HSBC
275 Greenwich High Road
Greenwich
London SE10 8NF

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Objectives and activities

Who we are

Heart n Soul is an award winning creative community and arts charity. We believe in the power and talents of people with learning disabilities and autistic people. We work together to make great art with imagination, love and trust.

At Heart n Soul everyone is valued, and leadership is shared. We can be ourselves, make change happen and have fun! Our vision is of everyone living full and equal lives with independence, freedom and pride.

Our Values are: Fun, Creative, Change, Equal, Kind, Quality and Inventive.

What we do

We offer opportunities for people to:

Create: Be creative, explore and share their talents in ways that they choose.

Connect: Make new friends and connections, in Heart n Soul, the local community and wider society.

Change: Use art and creativity to make change in areas they choose, becoming leaders alongside others both inside and outside Heart n Soul.

We do this through:

Art: We create opportunities for people to develop as artists, collaborate with others, and create and share their work live, recorded, digitally and online.

Taking Part: We run high quality creative arts activities designed by, with and for adults with learning disabilities and autistic people.

Sharing: We share our art, our creativity and how we do things with others, creating more equal relationships and exploring better ways of doing things together.

In putting together our objectives, the Trustees have paid attention to the Charity Commission's guidance on public benefit.

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How we measure success

Our 2022 - 2026 strategy is co-designed by learning disabled people and autistic people and sets the change we want to see:

People with learning disabilities and autistic people create high quality and life-changing art and ideas that inspire and change people's lives.

They are more connected, have greater confidence and wellbeing, and lead change that affects their lives.

Society has a greater understanding of what people with learning disabilities and autistic people can do, and what they offer everyone.

We understand the impact and progress we are making by finding accurate ways to check that:

- Learning disabled and autistic people feel more connected, more confident and well
- They gain new skills and knowledge
- Their work is experienced by diverse people both in the local community and in the mainstream
- Organisations adopt and build on Heart n Soul's ideas and approach

Our approach

At Heart n Soul people with and without learning disabilities and autistic people collaborate with each other in a truly equal and inclusive way. Learning disabled and autistic people have voice and representation in all parts of the organisation and co-produce all our activities.

We believe in the value for everyone of being present, open, creative, artist-led and loving. We listen to what people with learning disabilities want to do and help them to create, connect and make change happen.

Our creativity encourages new ideas and 'out of the box' thinking. We make space for people to ask questions, talk about what is important to them and imagine new ways of seeing, relating, being, doing and learning. Everyone feels a part and can develop their creativity and ideas. What people learn at Heart n Soul helps them in other parts of their lives.

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We are inspired by and collaborate with many artists across varied art forms and connect our activities together. We share with others deeply and widely so that people realise the benefits that our artists' creative vision has for everybody.

We work with partner organisations to achieve our goals so that we may share our vision within and beyond the arts widely and in a sustainable way.

We are continuously flexible and responsive, and we have a lot of fun.

People in our community are aged between 10 and 65+, and over 95% have disabilities ranging from mild or moderate to severe and complex. Just over 50% are from black, minority and ethnic communities. Many are subject to multiple disadvantages including social isolation and economic hardship and can be highly vulnerable. We work with people who live near to our Deptford base in Lewisham and in adjacent boroughs as well as across London, nationally and internationally.

Volunteers with and without learning disabilities support participants to take part in creative sessions and are part of front of house teams at events, providing information to the public.

Structure, governance and management

Heart n Soul is a company limited by guarantee and a registered charity. The governing document is a Memorandum and Articles of Association dated 10 February 2011. We receive 33% of our income from Arts Council England. We raise the remainder from grants from charitable trusts and foundations, donations from individuals, ticket sales and other earned income.

The Board of Trustees meets quarterly, with additional work done by sub-committees. A staff team of 12 works closely with a pool of around 100 artists, practitioners and experts. Learning disabled and autistic people are involved at every level of our organisation (from Board level through to staff, steering teams, planning and strategic thinking), working with us to develop our plans and priorities and to monitor and give feedback on our programmes. This demonstrates our commitment to quality, integrity and equality, ensuring that we deliver programmes that touch and change people's lives.

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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023 / cont

Trustees are selected to the Board through a process of election by the trustees. They receive a personal and detailed induction by the Co-Chairs, Chief Executive and Associate Director.

Our Vice Chair Mark Burgess passed away on the 27th of September 2022. He had been a member of Heart n Soul for 30 years and is much missed. Former Chair Sarah Scott rejoined the Board until we find a replacement for Mark.

Trustee Lilly Cook and Chair Kate Linsky are now Co-Chairs of the organisation.

We initiated an induction process for two new trustees with learning disabilities.

58% of our trustees and 25% of our staff are disabled.

The Finance Sub-Committee meets every quarter to oversee the financial position and to report on the latest quarterly accounts. Other sub-committees, such as the Fundraising Action Group, or the Strategy Group, convene as and when they are required.

The Personnel Sub-Committee is responsible for the remuneration policy of key management. The salary of the Artistic Director/CEO is reviewed each year in February and may be adjusted for performance or inflation. A comparison with rates in our sector for similar roles is also undertaken. The Personnel Sub-Committee makes a recommendation to the Board, which make the final decision.

Achievements and performance

This has been a busy year in which we welcomed lots of new participants and partners. All of our taking part programmes are currently nearly full, with new enquiries coming in continuously. The number of individuals regularly taking part in our activities grew by a third to over 200. Heart n Soul artists, co-producers and participants hosted or took part in 25 shows, exhibitions or events, 21 in-person and 4 online, reaching approximately 10,000 people.

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While the pandemic allowed more one-to-one artist development sessions and online group creative activities, it had also led to feelings of isolation. As a result, while retaining some online activities, this year we gave more focus to in-person group sessions, so people regained a sense of community. We also retained online options for those unable to attend in person.

In making this transition, we needed to continually respond and adapt in a way that involved our community fully in reflecting, setting priorities, innovating and co-producing activities.

Building on their co-production of our new 2022 - 2026 strategy last year, learning disabled and autistic co-producers developed an evaluation framework to underpin this and set 5 year development priorities.

A deepening theme throughout our work this year has been collaboration based on sharing power and building trust. Through our Believe In Us project funded by The Health Foundation we have challenged our academic, NHS and local authority partners in their understanding of co-production and encouraged them to be more bold, empowering, flexible and diverse in their solutions.

Artists

This year there were many new opportunities for artists to play gigs and start touring again and artists performed at more mainstream events across the UK. This was an important milestone, as learning disabled artists have tended to be programmed mainly in the 'disability slot' of festivals and events. Highlights included:

Through the summer 2022, Dean Rodney and the Cowboys performed at Supernormal (Oxfordshire), Jupiter Rising (West Lothian) and Contrapop (Ramsgate) Festivals, and the band Electric Fire performed at Shambala Festival (Northamptonshire). Electric Fire also performed at the Audio Developer Conference in November 2022 and at Sonic Protest Festival in Paris in March 2023. This touring activity extended our reach nationally and in Europe.

Artist Robyn Steward held her residency at Cafe Oto, Robyn's Rocket, 5 times, increasing audiences each time. Invited artists such as Mica Levi and Alabaster DePlume have helped increase Robyn's profile, leading to support

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slots with The Comet Is Coming and advisory positions with the EFG London Jazz Festival.

In total, 76 artists performed at 25 events and 16 music creators had 154 development sessions to deepen their skills and develop original material.

This year we also experimented with new ways of bringing music creators together to collaborate with each other, in response to their feedback that this would be valuable; and we supported artists' use of new innovative music making technologies to allow more continuous self-directed development.

Taking Part

Young people took part in 12 Do Your Own Thing events, and we reached 82 unique individuals, an increase of 10% from last year. In addition, there were 22 individual and small group sessions on topics such as DJ skills, creating music and developing an exhibition. Building on the work the previous year to increase the number of under-18s attending, we introduced a 'sensory' zone to support people with more complex disabilities to become comfortable in the space. A team of 26 co-producers allowed a strong youth voice to develop the project.

Numbers at our adults taking part programme, Allsorts, grew to 102 unique individuals, an increase of 24%, attending 24 events. Co-producers led on the design and content of each event. We also continued weekly online sessions in Movement and Dance, Art and face-to-face choir sessions.

We held 8 Deptford Club Nights in partnership with 6 local venues and 26 young people hosted, performed, or DJ-ed at Squidz Club to an audience of 392.

Overall, our attendances have grown by 10% from the pre-pandemic years.

It was important to recognise the impact and legacy of artist Lizzie Emeh who passed away in November 2021. The 2022 Beautiful Octopus Club was a centrepiece, showcasing Lizzie's legacy. The Club, also part of the Lewisham Borough of Culture, sold out with an audience of over 400.

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Partnerships and Change

Believe In Us, which ended in June 2023, allowed us to explore relationships between health and social care professionals and learning disabled people in more depth. Project partners included The Royal Borough of Greenwich, NHS Oxleas Trust, Royal College of Art Centre for Inclusive Design, The Creative Computing Centre University of the Arts and Tizard Centre, University of Kent. <https://www.heartnsoul.co.uk/believe-in-us>

In this second and final year, 'design jams' enabled project participants to identify priority themes that they want to change within health and social care, which were: communications, connection and being heard. The communications design jam identified and developed early prototypes for two areas for change: improving the care plan experience using creative tools to support care professionals and care recipients in getting to know each other as people first; and developing a digital 'Jargon Buster' that would allow people to overcome the significant barriers that exist in social care communications.

An important development this year was an invitation from Royal Borough of Greenwich to run Allsorts at Sherard Road Day Opportunities Centre. Greenwich is currently implementing a significant re-design of their day services for learning disabled people moving away from a day centre model towards community-led services. At the heart of this is fundamental cultural change in the relationships between social care professionals and the people they support. Greenwich are looking to us to share and transmit our approach based on genuine co-production, agency and leadership by learning disabled people.

We also developed several new local partnerships including with Lewisham Arthouse and Music Room London. 14 young people exhibited their work at Lewisham Arthouse, creating an online tour, performing music and hosting a radio show. 550 members of the public saw the exhibition. Musician Sam Castell-Ward launched his new EP at Music Room London.

Through a partnership with The Albany, young people with learning disabilities took part in 'The Big Conversation', a project initiated by the Greater London Authority to delve into how creativity supports mental wellbeing. Heart n Soul young people developed a series of podcasts called What Makes You Good, which were broadcast by Soho Radio in March 2023.

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Learning

Feedback exercises this year have demonstrated the impact that our activities have on wellbeing.

Throughout the year we asked for formal and informal feedback from participants, parents, carers and professional artists in our young people's programme, Do Your Own Thing. Young people shared how much being part of this community means to them.

94% of young people reported that they had learnt a new skill through coming to our taking part activities, and 83% said that it had enabled them to access other opportunities.

66% said that they had made new friends whilst others said that friendships had grown stronger.

We also piloted a co-designed approach to evaluation in our adults programme, Allsorts. A team of co-researchers developed a set of indicators that capture how Heart n Soul activities bring confidence, connection and feeling well to the lives of people with learning disabilities and autistic people. A group of disabled and non-disabled interviewers then successfully trialed these at the first Allsorts season at Sherard Road Day Opportunities Centre in Greenwich. Of the people they interviewed:

- 86% said they had experienced a feeling of connection
- 86% said they had experienced a feeling of confidence
- 83.5% said they had experienced a feeling of wellness

See the accessible evaluation report here:

<https://cloud.heartnsoul.co.uk/s/7qQHNqZBgCBHpnK>

Digital

This year we had over 18,000 digital followers and subscribers, 27,000 people visited our website and the radio crew reached over 18,000 people through their radio shows on Soho Radio. These all represent an increase of over 20% on the previous year.

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We developed and realised a new collaboration with Google Arts & Culture, following an earlier collaboration project in 2020. Heart n Soul now have our own extensive gallery on the platform.

We have started a monthly webpage for young people to see and engage with their work between activities and share with friends and family. See here: <https://www.heartnsoul.co.uk/dyot-hard-rock-zone>

We have also been working with design partners Native Instruments on testing their current DJ hardware with regards to discovering access improvements that could be designed into their next generation of DJ controllers. Similar sessions in previous years contributed substantially to features and the visual design language of Native Instruments' next-generation keyboard release scheduled for September 2023.

In summary, this year we created many opportunities for our community to re-connect with each other, with existing and new partners, and with face to face creative activities, and to reflect together on how these should develop going forwards. We have learnt that people of all kinds feel more connected, valued and accepted through their relationship with Heart n Soul, and feel confident to say what they think and share their ideas freely. While consolidating and continuously developing core art and taking part activities, we have also begun a process of making change happen, alongside partners, in health and social care.

Fundraising

We would like to address sincere thanks to all our funders who continued to trust and support Heart n Soul. We thank Arts Council England for the award of a three-year grant as part of the National Portfolio Organisations programme.

Arts Council England
City Bridge Trust
Esmée Fairbairn Foundation
Fidelity UK Foundation
Garfield Weston Foundation
Greater London Authority (GLA)
The Health Foundation
Jerwood Arts

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John Ellerman Foundation
John Horniman's Children's Trust
L&Q Foundation
London Borough of Lewisham
PRS Foundation
Royal Borough of Greenwich
The Albany
The D'Oyly Carte Charitable Trust
The National Foundation for Youth Music
The National Lottery Community Fund
The Robert Gavron Charitable Trust

Many generous supporters made donations, undertook sporting challenges or organised fundraising events. Collectively they raised just under £20,000.

We would like to thank our regular donors : Simon Platz, Kara Tanega, Matt Saull, Daniel Ross, Sonia Edwards and Hannah Kent.

We would like to thank Kate and Colin Linsky, the family of Stephen Harvey, the family of Mark Burgess, Edmund Waller School, Heleena, Daniel and the team at Jerk Off BBQ.

We would like to thank our fundraisers who did sports challenges: Tony Balazs, Mark Williams, Rebecca Carter, Richard Hall.

Financial review

The principal risk and uncertainty facing Heart n Soul is the more challenging fundraising environment. Trusts and foundations are generally giving fewer grants and some are closing their open grant making programmes.

Heart n Soul navigated the critical years of the pandemic without needing to furlough staff, seek emergency funding or scale back our work. We continued to build our unrestricted reserves, anticipating that subsequent years would be more challenging. Income projections have been impacted by the increasingly competitive and volatile funding environment. Trustees have monitored the position closely and reduced expenditure by 10% in 2023-24 and 11% in 2024-25. This has been achieved by reorganising our office space and finding new ways of working which do not impact on core delivery. Unrestricted reserves are being used to maintain core activities, with sufficient funds retained to cover wind-up costs. We revised our fundraising

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targets and have carefully targeted applications with recent success (BBC Children in Need, Paul Hamlyn Foundation, PRS Foundation, Youth Music).

We are also continuing to maintain close and responsive relationships with our major trust and foundation funders, Arts Council England and Lewisham Council; and to maintain tight management of expenditure. Trustees are focused on our finding new ways to achieve impact that call less on funds.

We started the financial year 2022-23, with 64% of our funding confirmed, and we continue to fundraise actively.

Reserves policy

The trustees have decided to review the policy on an annual basis, ensuring that sufficient funds are in place to account for wind-up costs of the organisation, contingency costs and a buffer for any unexpected expense. The current level of free reserves, being general funds less unrestricted fixed assets at 31 March 2023 is £151,681 (2022: £304,034).

Plans for future periods,

Learning disabled and autistic artists and board members agreed on a set of three clear principles that will guide our vision and plans for the next four years:

They would like to:

Create: be creative, explore and share their talents in ways that they choose.

Connect: Make new friends and connections in Heart n Soul, the local community and wider society

Change: Use art and creativity to make change in areas they choose, becoming leaders alongside others inside and outside Heart n Soul.

We will develop our programme of activities using these themes as our touchstone and will now be doing that with the confirmed renewed support of Arts Council England. As our Believe in Us project is entering its final phase, we will build on relationships with key stakeholders including Greenwich Borough Council, NHS Oxleas Partnership and the Creative Computing Department at UAL. Despite the very competitive funding environment, we

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are maintaining an ongoing positive dialogue with key funders such as the Paul Hamlyn Foundation, the Henry Smith Charity, and True Colours Trust.

Trustees' responsibility statement

The trustees (who are also directors of Heart N Soul 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

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

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In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom

Small company exemptions

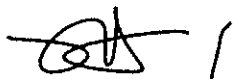
governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

The auditors, Myrus Smith, have expressed their willingness to continue in office in accordance with Section 487 of the Companies Act 2006.

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

This report was approved by the trustees on.....2023 and signed on its behalf.



S platz (Oct 5, 2023 17:12 GMT+1)

Simon Platz
Treasurer

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEART N SOUL

Opinion

We have audited the financial statements of Heart N Soul (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEART N SOUL / cont

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' annual report, other than the financial statements and our auditor's report thereon. 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEART N SOUL / cont

Matters on which we are required to report by exception

In the light of our 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 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEART N SOUL / cont

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Professional scepticism in course of the audit and with audit sampling in material audit areas.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error,

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HEART N SOUL / cont**

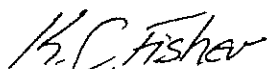
as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.



Kevin Fisher BA FCA CTA (Senior Statutory Auditor)
For and on behalf of Myrus Smith
Chartered Accountants and Statutory Auditor
Norman House,
8 Burnell Road,
Sutton, Surrey.
SM1 4BW

10th October 2023

HEART N SOUL

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

(Incorporating Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income					
Donations and grants	2	301,232	588,018	889,250	1,083,794
Charitable activities	3	26,145	-	26,145	17,251
Investments	4	517	-	517	385
Total		<u>327,894</u>	<u>588,018</u>	<u>915,912</u>	<u>1,101,430</u>
 Raising funds	5	49,688	-	49,688	52,320
Charitable activities	6	432,762	588,018	1,020,780	1,039,831
Total		<u>482,450</u>	<u>588,018</u>	<u>1,070,468</u>	<u>1,092,151</u>
 Net income / (expenditure)	10	(154,556)	-	(154,556)	9,279
 Transfers between funds	17	-	-	-	-
 Net movement in funds		(154,556)	-	(154,556)	9,279
 Reconciliation of funds					
Balance brought forward	17	314,253	-	314,253	304,974
Balance carried forward	17	<u>£159,697</u>	<u>£Nil</u>	<u>£159,697</u>	<u>£314,253</u>

The Statement of Financial Activity includes all recognised gains and losses.

All income and expenditure derives from continuing activities.

The notes form part of the financial statements.

HEART N SOUL
(A Company Limited by Guarantee and Not Having a Share Capital)
Registered Charity Number 1090781, Company Number 4360133

BALANCE SHEET AS AT 31 MARCH 2023

	Notes	£	2023 £	£	2022 £
FIXED ASSETS					
Tangible Fixed Assets	13		8,016		10,219
CURRENT ASSETS					
Debtors	14	48,889		27,770	
Cash at Bank and in Hand		239,637		457,922	
			<u>288,526</u>	<u>485,692</u>	
CREDITORS: Amounts falling due within one year	15	136,845		181,658	
NET CURRENT ASSETS			151,681		304,034
NET ASSETS	18		<u>£159,697</u>		<u>£314,253</u>
FUNDS :					
Restricted Funds	17		-		-
Unrestricted Funds	17		159,697		314,253
TOTAL FUNDS			<u>£159,697</u>		<u>£314,253</u>

These financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

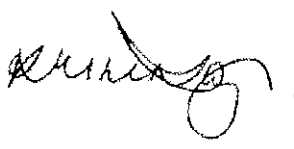

The financial statements were approved and authorised by the Trustees on
signed on its behalf by:

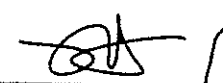
2023 and

Kate Linsky
Co-Chair

Lilly Cook
Co-Chair

Simon Platz
Treasurer


S platz (Oct 5, 2023 17:12 GMT+1)

The notes form part of the financial statements.

HEART N SOUL

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from operating activities:		
Net movement in funds per Statement of Financial Activities	(154,556)	9,279
Adjustments for:		
Depreciation	5,927	6,587
(Increase)/decrease in debtors	(21,119)	103,474
Increase/(decrease) in creditors	(44,813)	22,064
Net cash provided by/(used in) operating activities	(214,561)	141,404
Cash flows from investing activities:		
Purchase of tangible fixed assets	(3,724)	(6,400)
Net cash provided by/(used in) investing activities	(3,724)	(6,400)
(Decrease)/increase in cash	(218,285)	135,004
Cash and cash equivalents brought forward	457,922	322,918
Cash and cash equivalents carried forward	£239,637	£457,922
Analysis of cash and cash equivalents	2023 £	2022 £
Cash at bank and in hand	£239,637	£457,922

The notes form part of the financial statements.

HEART N SOUL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Income recognition

Items of income are recognised in the financial statements when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable;
- the amount can be measured reliably.

Grant income is deferred when there is a donor imposed or implied condition specifying the time period over which the income may be expended or in accordance with agreed budgets.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise those costs associated with attracting voluntary donations and grants
- Expenditure on charitable activities which comprises the costs of running the various artistic activities for the charity's beneficiaries including staging concerts, stage productions, art exhibitions, educational programmes, general and specialised advice, advocacy and training.

HEART N SOUL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 / cont

1. ACCOUNTING POLICIES / cont

Expenditure recognition /cont

Expenditure includes those costs of a direct nature which can be allocated to a specific activity and also indirect costs, including governance costs that do not relate to a specific activity but are necessary to support those activities. Support costs are apportioned to each activity on the basis of staff time.

Fund accounting

Unrestricted general funds are freely available for use in furtherance of the objects of the charity and which have not been designated for specific purposes.

Designated funds are unrestricted funds set aside by the trustees for particular purposes.

Restricted funds are funds which can only be used in accordance with specific restrictions imposed by the donor or which have been raised for a particular purpose.

Tangible fixed assets and depreciation

Tangible assets costing more than £800 are capitalised. Depreciation is provided so as to write off the cost of each asset, less its residual value, over its estimated useful life at the following annual rates:

Technical equipment	25% straight line
Office equipment	25% straight line

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised expenditure.

Leases

Operating lease rentals are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pensions

The charity operates a defined contribution pension scheme. Contributions payable under the scheme are charged the Statement of Financial Activities in the year to which they relate.

HEART N SOUL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 / cont

2. DONATIONS AND GRANTS

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Multi-disciplinary arts	58,615	33,711	92,326	174,752
Taking part	242,617	305,720	548,337	637,240
The Hub	-	-	-	73,913
Sharing	-	-	-	1,086
Believe in Us	-	248,587	248,587	196,803
	<u>£301,232</u>	<u>£588,018</u>	<u>£889,250</u>	<u>£1,083,794</u>

Of the £1,083,794 recognised in 2022, £481,678 was unrestricted funds and £602,116 was restricted funds.

Total grant income received from Art Council included above was £304,904, recognised as £52,348 under Multi-disciplinary arts and £252,556 as Taking Part.

Included within the 2022 Hub income of £73,913 is a donation in kind valued at £35,843, this being the estimated cost of services paid for by Wellcome Trust in respect of Heart n Soul at The Hub.

Additionally, Heart n Soul had free use of the space at The Hub, however, due to the fact that the space is shared with other organisations to a varying degree, it is not possible to reliably estimate the value of this gift in kind.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Box office fees & commissions	26,145	-	26,145	17,251
	<u>£26,145</u>	<u>-</u>	<u>£26,145</u>	<u>£17,251</u>

All of the £17,251 recognised in 2022 was unrestricted funds.

4. INVESTMENT INCOME

	Unrestricted funds	Restricted Funds	Total 2023	Total 2022
Bank interest	<u>£517</u>	<u>-</u>	<u>£517</u>	<u>£385</u>

All of the £385 recognised in 2022 was unrestricted funds

HEART N SOUL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 / cont

5. COST OF RAISING FUNDS	Direct costs £	Support costs £	Total 2023 £	Total 2022 £
Fundraising consulting	£49,688	-	£49,688	£52,320

All of the £52,320 expenditure recognised in 2022 was charged to unrestricted funds.

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Staffing Costs £	Other Direct Costs £	Support Costs (Note 7) £	Total 2023 £	Total 2022 £
Multi-disciplinary arts	45,398	80,664	17,913	143,975	172,303
Taking Part	278,389	227,243	111,620	617,252	595,957
The Hub	-	-	-	-	67,514
Sharing	7,274	817	2,875	10,966	7,254
Believe in Us	54,583	194,004	-	248,587	196,803
	<u>£385,644</u>	<u>£502,728</u>	<u>£132,408</u>	<u>£1,020,780</u>	<u>£1,039,831</u>

Of the £1,039,831 expenditure recognised in 2022, £444,115 was charged to unrestricted funds and £595,716 was charged to restricted funds.

The total expenditure includes £304,904 spent against the grant received from Art Council. This was recognised as £52,348 under Multi-disciplinary arts and £252,556 under Taking Part.

Included within 2022 other direct costs of The Hub are donated services valued at £35,843. This being the estimated loss of services paid for by Wellcome Trust in respect of Heart n Soul at The Hub.

7. SUPPORT COSTS	General Office £	Premises £	Governance (Note 8) £	Total 2023 £	Total 2022 £
Multi-disciplinary arts	11,043	6,249	621	17,913	19,715
Taking Part	68,149	39,660	3,810	111,619	98,133
Sharing	1,773	1,003	100	2,876	1,790
	<u>£80,965</u>	<u>£46,912</u>	<u>£4,531</u>	<u>£132,408</u>	<u>£119,638</u>

HEART N SOUL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 / cont

8. GOVERNANCE COSTS	2023	2022
	£	£
Auditors' remuneration	3,385	3,645
AGM, Trustees' meetings and related costs	1,146	181
	<u>£4,531</u>	<u>£3,826</u>

9. LOCAL GOVERNMENT AND HOUSING ACT 1989

The company received financial assistance from local authorities. As required by the Local Government and Housing Act 1989 the following information is given.

£30,000 (2022: £53,600) was recognised as grant income from the London Borough of Lewisham. These funds have been fully expended.

10. NET INCOME/(EXPENDITURE) FOR THE YEAR	2023	2022
Net income/(expenditure) is stated after charging:		
Operating lease rentals	£37,535	£35,106
Depreciation of tangible fixed assets	£5,297	£6,587
Auditors remuneration – Audit services	£3,385	£3,615
	<u>£46,217</u>	<u>£45,308</u>

11. STAFF COSTS	2023	2022
Staff costs were as follows:	£	£
Wages and salaries	324,839	327,140
Social Security costs	25,013	26,999
Pension costs	28,726	28,864
Staff training and recruitment	3,477	4,330
Other costs	3,589	3,731
	<u>£385,644</u>	<u>£391,064</u>

One employee received total employee benefits (excluding employers national insurance and employer pension contributions) of more than £60,000 during 2023 (2022: 1), within the band £60,000 to £70,000.

Total employee benefits received by key management amounted to £83,134 (2022: £76,677). Under FRS 102, employee benefits includes gross salary, benefits in kind, employers national insurance and employers pension contributions.

The average number of full-time equivalent employees during the year was 8.95 (2022: 10). The average monthly number of employees was 11 (2022: 12).

HEART N SOUL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 / cont

12. DIRECTORS / TRUSTEES REMUNERATION AND EXPENSES

The trustees give their time to the charity voluntarily and receive no remuneration for their role as trustees.

Travel and subsistence costs of £771 (2022: £219) were reimbursed to 4 (2022: 3) trustee(s). The total of donations received without conditions by the charity from trustees amounted to £3,720 (2022: £173). Sarah Scott, one of the trustees was paid a fee of £900 for providing wellbeing support to staff. Out of this £225 was paid after she became a trustee.

13. TANGIBLE FIXED ASSETS

	Technical Equipment £	Office Equipment £	Total £
Cost			
Balance at 1 April 2022	26,630	51,978	78,608
Additions	2,023	1,701	3,724
Disposals	-	-	-
	<u>28,653</u>	<u>53,679</u>	<u>82,332</u>
Balance at 31 March 2023	28,653	53,679	82,332
Depreciation			
Brought forward at 1 April 2022	26,630	41,759	68,389
Charge for year	506	5,421	5,927
Eliminated on disposal	-	-	-
	<u>27,136</u>	<u>47,180</u>	<u>74,316</u>
Balance at 31 March 2023	27,136	47,180	74,316
Net book value			
As at 31 March 2023	<u>£1,517</u>	<u>£6,449</u>	<u>£8,016</u>
As at 31 March 2022	<u>£Nil</u>	<u>£10,219</u>	<u>£10,219</u>

14. DEBTORS

	2023 £	2022 £
Trade debtors	25,236	4,204
Accrued income	12,875	10,000
Other debtors	2,497	5,129
Prepayments	8,281	8,437
	<u>£48,889</u>	<u>£27,770</u>

HEART N SOUL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 / cont

15. CREDITORS: Amounts falling due within one year	2023 £	2022 £
Trade creditors	43,697	9,299
Social security and other taxes	2,249	2,468
Other creditors	763	406
Accruals	31,613	24,431
Deferred income (see note 16)	58,523	145,054
	<u>£136,845</u>	<u>£181,658</u>

16. DEFERRED INCOME	Balance brought forward	Additions in year	Released To Income	Balance Carried Forward
Grants and donations	<u>£145,054</u>	<u>£58,523</u>	<u>£(145,054)</u>	<u>£58,523</u>

Deferred income reflects grant income received in advance for the following financial year, to be expended in accordance with specified or implied timeframes and agreed budgets.

17. MOVEMENT IN FUNDS

	Balance At 1 April 2022 £	Income £	Movement In Resources Expenditure £	Transfers £	Balance At 31 March 2023 £
Unrestricted funds					
General funds	314,253	327,894	482,450	-	159,697
	<u>314,253</u>	<u>327,894</u>	<u>482,450</u>	<u>-</u>	<u>159,697</u>
Restricted funds					
Multi-disciplinary arts	-	33,711	33,711	-	-
Taking Part	-	305,720	305,720	-	-
Believe in Us	-	248,587	248,587	-	-
	<u>-</u>	<u>588,018</u>	<u>588,018</u>	<u>-</u>	<u>-</u>
Total funds	<u>£314,253</u>	<u>£915,912</u>	<u>£1,070,468</u>	<u>-</u>	<u>£159,697</u>

HEART N SOUL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 / cont

17. MOVEMENT IN FUNDS / cont

The Multi-disciplinary Arts Fund is for theatre, music, live art, visual art, films and dance both filmed and performed in venues in London, nationally and internationally.

The Taking Part Fund (including clubs) provides resources for artistic input into a number of participatory events in London and to make spaces where adults and young people are able to express themselves.

The Hub Fund provides a research space where people from different backgrounds and expertise collaborate on projects exploring medicine, life and art.

The Sharing Fund provides resources to share the approach, expertise and experience of Heart n Soul with other voluntary, community and arts organisations.

Believe In Us is a two year project focussed on developing a radical new approach for designing services with people with learning disabilities and autistic people in London funded by The Health Foundation. Heart n Soul is the lead party in a collaboration with Oxleas NHS Foundation Trust, Royal Borough of Greenwich, Tizard Centre, Helen Hamlyn Centre for Inclusive Design and the University of the Arts London (UAL) Creative Computing Institute.

Comparative information for the net movement in funds is as follows

	Balance At 1 April 2021 £	Income £	Movement in Resources Expenditure £	Transfers £	Balance At 31 March 2022 £
Unrestricted funds					
General funds	304,974	499,314	496,435	6,400	314,253
	<u>304,974</u>	<u>499,314</u>	<u>496,435</u>	<u>6,400</u>	<u>314,253</u>
Restricted funds					
Multi-disciplinary arts	-	36,816	36,816	-	-
Taking Part	-	294,584	294,584	-	-
The Hub	-	73,913	67,513	(6,400)	-
Believe in Us	-	196,803	196,803	-	-
	<u>-</u>	<u>602,116</u>	<u>595,716</u>	<u>(6,400)</u>	<u>-</u>
Total funds	<u>£304,974</u>	<u>£1,101,430</u>	<u>£1,092,151</u>	<u>-</u>	<u>£314,253</u>

HEART N SOUL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 / cont

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	8,016	-	8,016
Current assets	202,232	86,294	288,526
Current liabilities	(50,551)	(86,294)	(136,845)
	<u>£159,697</u>	<u>£Nil</u>	<u>£159,697</u>

Comparative information for the analysis of net assets between funds is as follows:

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	10,219	-	10,219
Current assets	316,165	169,527	485,692
Current liabilities	(12,131)	(169,527)	(181,658)
	<u>£314,253</u>	<u>£Nil</u>	<u>£314,253</u>

19. OPERATING LEASE COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023 £	2022 £
Amounts due within:		
One year	8,378	9,218
One to five years	3,095	7,222
	<u>£11,473</u>	<u>£16,440</u>

20. CONTINGENT ASSETS

Total grant funding awarded as at 31 March 2023 but not yet received and recognised as income due to the recognition criteria not being met amounts to £310,100.

HEART N SOUL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 / cont

21. COMPANY STATUS AND TAXATION

The charity is a company limited by guarantee, registered in England and Wales and has no share capital. The liability of each member is restricted if the guarantee is limited to £1. The address of the registered office is given in the Reference and Administrative Details on page 2.

As a registered charity, Heart n Soul is exempt from taxation on its charitable activities.