

Company number: 3450832  
Registered Charity number: 1065963 (England & Wales)

# **paintings** in hospitals

**TRUSTEES' REPORT AND  
UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 MARCH 2025**

## PAINTINGS IN HOSPITALS

### TABLE OF CONTENTS

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|  | Page |
|--|------|
| Reference and administrative information | 1    |
| Trustees' report                         | 3    |
| Independent examiner's report            | 8    |
| Statement of financial activities        | 9    |
| Balance sheet                            | 10   |
| Notes to the financial statements        | 11   |

## **PAINTINGS IN HOSPITALS**

### **REFERENCE AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2025**

|                           |  |
|---------------------------|--|
| <b>Patrons</b>            | Lord Browne of Madingley<br>Rt Rev'd and Rt Hon The Lord Chartres – resigned 4 December 2023<br>Dr Richard Cork<br>Andrew Hochauser KC<br>Roger Phillimore<br>The Rt Rev'd and Rt Hon Dame Sarah Mullally DBE, Bishop of London  |
| <b>Artist Patrons</b>     | Ian Davenport<br>Anita Klein – from 10 May 2024<br>Sir Antony Gormley OBE<br>Maggi Hambling CBE<br>Bridget Riley CH CBE  |
|                           | <b>Current Trustees</b><br>Christopher Turner – Appointed 29 July 2025<br>Brigid Rentoul – Appointed 29 July 2025<br>Nicholas Gash – Appointed 29 July 2025  |
|                           | <b>Previous trustees</b><br>Prof Jane Anderson CBE – resigned 29 July 2025<br>Stephen Crampton-Hayward – resigned 31 October 2024<br>Prof Mary E Black – resigned 10 September 2024<br>Jeanette Grose – resigned 8 April 2024<br>Prof Marion Lynch – resigned 29 July 2025<br>Robert Milburn – resigned 29 July 2025<br>Farha Quadri – resigned 29 July 2025<br>Patrick Bourne – resigned 29 July 2025<br>Amanda Pinto KC – resigned 29 July 2025<br>Catherine Vickery – resigned 29 July 2025 |
| <b>Company Secretary</b>  | Stephen Crampton-Hayward – appointed 4 November 2024<br>– resigned 29 July 2025<br>James Varley – appointed 29 July 2025   |
| <b>Company number</b>     | 3450832  |
| <b>Charity number</b>     | 1065963 (England and Wales)  |
| <b>Registered office</b>  | 4 Verney House<br>1B Hollywood Road<br>London<br>SW10 9HS  |
| <b>Executive Director</b> | Sandra Bruce-Gordon FRSA – until 11 December 2024<br>Stephen Crampton-Hayward – (interim) from 1 November 2024 until 29 July 2025<br>Chris Chaney – from 29 July 2025  |

## **PAINTINGS IN HOSPITALS**

### **REFERENCE AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2025**

|                             |  |
|-----------------------------|--|
| <b>Independent examiner</b> | Emma Barty FCA CTA<br>HaesCooper & Associates Ltd<br>Unit A, Farriers Courtyard<br>Spelmonden Farm<br>Spelmonden Road<br>Goudhurst<br>TN17 1HE |
| <b>Principal Bankers</b>    | HSBC plc<br>London Bridge Branch<br>28 Borough High Street<br>London<br>SE1 1YB  |
| <b>Legal Advisors</b>       | Withers<br>20 Old Bailey<br>London<br>EC4M 7AN   |

## **PAINTINGS IN HOSPITALS**

### **TRUSTEES' REPORT**

#### ***FOR THE YEAR ENDED 31 MARCH 2025***

The trustees (who are also directors of the company for the purposes of the Companies Act) present their report and the financial statements for the year ended 31 March 2025. The Reference and Administrative information on pages 1 and 2 form part of this report.

The trustees confirm that the report and financial statements of the charity comply with the current statutory requirements, the requirements of the company's governing document, and the provisions of "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)" (effective 1 January 2019) (Charities SORP (FRS 102)).

#### **Objectives and Activities**

The objects of the Charity are to use art and creative activities to improve the health, well-being and quality of life of persons suffering from addiction, illness, injury, disorder, or disability, including (without limitation) any disability or disorder on the autistic spectrum in any location or establishment where any such person is resident or in attendance or where any such person is in receipt of treatment, therapy, convalescence, training, education, or assistance.

In setting Paintings in Hospitals' objectives and planning its activities, the trustees considered the Charity Commission's general guidance on public benefit as required in section 17 of the Charities Act 2011 and, in particular, its supplementary public benefit guidance on fee charging.

The work of Paintings in Hospitals is recognised by the Department of Health and Social Care, the Care Quality Commission (CQC), NHS England and NHS Wales. The charity's approach was based on a range of research and evidence, demonstrating the positive effects of displaying and creating visual arts in a wide range of health and social care settings.

The charity's objects are primarily achieved through our art loans programme, which exists to help create person-centred care spaces that encourage, enrich, and empower everyone who uses them. Experience over 65 years has allowed us to develop a unique collection of over 3,000 artworks. Its art ranges from paintings and drawings to sculptures and animations, some by the world's greatest artists. All types of health and social care sites can borrow art from the collection.

#### **Structure, Governance and Management**

Paintings in Hospitals was established by Trust Deed in 1959 and registered with the Charity Commission in May 1972. Our organisation is a charitable company, limited by guarantee and operates in accordance with its Articles of Association adopted on 16 October 1997 (as subsequently amended).

On 29 July 2025, the charity successfully transferred its business as a going concern to CWPLUS (registered charity number 1169897). This strategic move ensures continuity of services and strengthens the charity's ability to deliver its mission under the stewardship of CWPLUS. All assets, liabilities, and ongoing operations were transferred under a binding transfer agreement in accordance with applicable regulations, safeguarding the interests of beneficiaries and stakeholders.

#### **Trustees**

The Charity was chaired by Professor Jane Anderson CBE until 29 July when the transfer to CWPLUS took place. During the year, Stephen Crampton-Hayward was Vice Chair and Treasurer, but he stood down as a trustee and from these roles on 31 October 2024 prior to becoming Interim Executive Director on 1 November 2024. Following the merger with CWPLUS on 29 July the Board of Trustees was replaced by three CWPLUS trustees: Christopher Turner, Brigid Rentoul, and Nicholas Gash.

## **PAINTINGS IN HOSPITALS**

### **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2025**

#### ***Board Committees***

During the year there were two committees: Finance & General Purpose, and Strategic Engagement. Each committee was chaired by a nominated trustee and has a mix of skills, and its own terms of reference which are reviewed annually and signed off by the Board. Fundraising was overseen by the Finance & General Purposes Committee and at Board level. The Committees were disbanded following the transfer to CWPLUS.

#### ***Risk Management***

In the period prior to the transfer of its business to CWPLUS, the trustees regularly updated the risk register and risk management processes which comprised:

- Annual review of all strategic risks by the Board of Trustees
- The establishment of systems and procedures to mitigate those risks
- The implementation of procedures to minimise any potential impact on Paintings in Hospitals, should any of those risks materialise

This risk management work identified a relatively small number of key risks, but ongoing review resulted in improvements through the implementation of management and mitigation procedures and increased contingency planning. Both financial and non-financial risks were included in the register. The last Board review of the risk register was on 8 March 2025, but it was carefully considered in detail in the period leading up to the merger with CWPLUS.

The most significant risks identified by the Trustees relate to the charity's continuing viability in the face of:

1. Spending constraints imposed on the NHS by Government, which affect the ability to maintain and expand our artwork loan programme.
2. A significant tightening of philanthropic funding, particularly from trusts and foundations, which is being felt throughout the charity sector.
3. Increased costs following two years of high rates of inflation.

However, the transfer of its business activities to CWPLUS after the year end on 29 July 2025 has secured substantial support for the future of the charitable business activities.

#### **Achievements and Performance**

The Trustees measure success through the number of care partners the charity has, where it is working, who it is working with, and the number of engagements it has with patients and staff. To enable care sites and their service users to get the most from the artworks the charity offers creative activities that provide the knowledge and confidence to engage with visual art. These activities often involve service users choosing the artworks they want for display, giving them a say in their own care experiences and improving levels of wellbeing. At the end of March 2025 the charity had 98 live loans, with 151 care partners.

## **PAINTINGS IN HOSPITALS**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2025**

##### ***Our Collection***

At the end of March 2025, there were 3,126 artworks in our collection (2024: 3,403 artworks). Of these, some 1,859 were at the Earlsfield Business Centre or in external storage, many of which require funds for reframing and conservation. At the same date, there were 1,304 artworks on public display at either our showcase displays or our loan partner sites (2024: 1,608 artworks).

The trustees continued to address the effectiveness of the collection, making it fit for purpose in the post pandemic era. As described above, where they have found that an artwork has not been placed with a care partner or is unlikely to be so because it is for whatever reason unsuitable, they have been deaccessioned and sold to assist the charity's financial resilience. In total, 253 artworks were deaccessioned in the year to 31 March 2025 (2024: 84 artworks) and 412 further artworks have been deaccessioned since 1 April 2025.

##### ***Fundraising***

The charity relies on the generosity of trusts, foundations, and individual donors to supplement its income from the artwork loan programme. In the year to 31 March 2025, we received grants of £57,692 (2024: £81,000) and donations of £146,781 (2024: £48,949).

##### **Financial Review**

Paintings in Hospitals ended the year with a surplus of £33,765 (2024: deficit of £124,434).

Income for the year was £489,333 (2023: £320,025). This includes £123,194 (2024: £27,780) of income recognised as a result reclassifying certain previously donated artworks, which were not valued in the accounts, as current asset investments.

In addition, as described above, the charity has embarked on a programme to deaccession and, in most cases sell, a number of artworks which have not been and are highly unlikely to be displayed in hospitals and other care settings. The total profit recognised in the year from such artwork sales was £222,528 (2024: £77,269).

##### ***Going concern***

The trustees have prepared the financial statements on the going concern basis. Further details are set out in note 1.2 on page 11.

##### ***Future Plans***

On 29 July 2025, the charity successfully transferred its business as a going concern to CWPLUS (registered charity number 1169897). This strategic move ensures continuity of services and strengthens the charity's ability to deliver its mission under the stewardship of CWPLUS. All assets, liabilities, and ongoing operations were transferred under a binding transfer agreement in accordance with applicable regulations, safeguarding the interests of beneficiaries and stakeholders.

##### **Reserves**

The aim of the trustees is to maintain a level of free, unrestricted reserves of around six months average annual expenditure that will enable Paintings in Hospitals to operate from a financial perspective with certainty and flexibility. At 31 March 2025 free unrestricted reserves (unrestricted funds less fixed assets) increased to a surplus of £153,437 (2024: surplus of £86,821).

## **PAINTINGS IN HOSPITALS**

### **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2025**

#### **Patronage**

The Trustees are particularly grateful to the unwavering support and guidance of all our Patrons. Patrons help raise awareness, expand national reach and advocate for all that charity does.

The trustees were deeply saddened to hear of the death of Dame Stephanie Shirley CH, Patron and benefactor of Paintings in Hospitals, on Saturday 9 August 2025.

Dame Stephanie was a great friend, generous funder and advocate of the work of Painting in Hospitals. It was an honour to have her as a Patron of the charity.

#### **Statement of Trustees' responsibilities**

This Trustees' report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The trustees (who are also the Directors of Paintings in Hospitals for the purposes of company law) are responsible for preparing a Trustees' annual report and accounts in accordance with applicable law and regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Company law requires the trustees to prepare financial statements for each financial year. Under that 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 these financial statements, the trustees are required to select suitable accountancy policies and then apply them consistently;

- observe the methods and principles in the Charities SORP FRS 102;
- make judgements and estimates that are both prudent and reasonable;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any one time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are also responsible for the maintenance and integrity of financial information, including that on the updated website.

This report was approved by the trustees on 17 December 2025 and signed on their behalf by



**Brigid Rentoul, Trustee**



**Nicholas Gash, Trustee**



## **PAINTINGS IN HOSPITALS**

### **INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF PAINTINGS IN HOSPITALS FOR THE YEAR ENDED 31 MARCH 2025**

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I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 March 2025.

#### **Responsibilities and basis of report**

As the trustees of the charitable company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.


#### **Independent examiner's statement**

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no other concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

  
Emma Barty FCA CTA  
HaesCooper & Associates Ltd  
Unit A, Farriers Courtyard  
Spelmonden Farm  
Spelmonden Road  
Goudhurst  
TN17 1HE

17 December 2025

**PAINTINGS IN HOSPITALS**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating income and expenditure account)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

|   |              | <i>Restricted<br/>funds<br/>2025</i> | <i>Unrestricted<br/>funds<br/>2025</i> | <i>Total<br/>funds<br/>2025</i> | <i>Total<br/>funds<br/>2024</i> |
|---|--------------|--------------------------------------|--|---------------------------------|---------------------------------|
|   | <b>Notes</b> | <b>£</b>                             | <b>£</b>                               | <b>£</b>                        | <b>£</b>                        |
| <b>Income from:</b>                                 |              |                                      |  |                                 |                                 |
| Donations, grants and legacies                      | <b>2</b>     | 3,038                                | 300,769                                | 303,807                         | 216,140                         |
| Charitable activities                               | <b>3</b>     | -                                    | 117,259                                | 117,259                         | 101,885                         |
| Investments   |              | -                                    | 2,925                                  | 2,925                           | 2,000                           |
| Other income  | <b>4</b>     | -                                    | 65,342                                 | 65,342                          | -                               |
| <b>Total income</b>                                 |              | <b>3,038</b>                         | <b>486,295</b>                         | <b>489,333</b>                  | <b>320,025</b>                  |
| <b>Expenditure on:</b>                              |              |                                      |  |                                 |                                 |
| Raising funds                                       | <b>5</b>     | -                                    | 39,637                                 | 39,637                          | 57,485                          |
| Charitable activities                               | <b>6</b>     | 35,789                               | 380,142                                | 415,931                         | 386,104                         |
| <b>Total expenditure</b>                            |              | <b>35,789</b>                        | <b>417,779</b>                         | <b>455,568</b>                  | <b>443,589</b>                  |
| <b>Net expenditure before losses on investments</b> | <b>10</b>    | <b>(32,751)</b>                      | <b>66,516</b>                          | <b>33,765</b>                   | <b>(123,564)</b>                |
| Net losses on investments                           | <b>12</b>    | -                                    | -                                      | -                               | (870)                           |
| <b>Net movement in funds</b>                        |              | <b>(32,751)</b>                      | <b>66,516</b>                          | <b>33,765</b>                   | <b>(124,434)</b>                |
| <b>Reconciliation of funds:</b>                     |              |                                      |  |                                 |                                 |
| Total funds brought forward:                        |              | 38,396                               | 86,921                                 | 125,317                         | 249,751                         |
| <b>Total funds carried forward</b>                  | <b>18</b>    | <b>5,645</b>                         | <b>153,437</b>                         | <b>159,082</b>                  | <b>125,317</b>                  |

**PAINTINGS IN HOSPITALS**  
**(A company limited by guarantee)**

**BALANCE SHEET**  
**AS AT 31 MARCH 2025**

|   | Notes | 2025           | 2025                  | 2024           | 2024                  |
|---|-------|----------------|-----------------------|----------------|-----------------------|
|   |       | £              | £                     | £              | £                     |
| <b>Fixed Assets</b>                                   |       |                |                       |                |                       |
| Tangible assets                                       | 10    |                | 313                   |                | 875                   |
| Investments   | 11    |                | -                     |                | -                     |
|   |       |                | <u>313</u>            |                | <u>875</u>            |
| <b>Current assets</b>                                 |       |                |                       |                |                       |
| Current asset investments                             | 13    | 187,795        |                       | 64,600         |                       |
| Debtors   | 14    | 43,302         |                       | 79,936         |                       |
| Cash at bank and in hand                              |       | 97,316         |                       | 182,578        |                       |
|   |       | <u>328,413</u> |                       | <u>327,114</u> |                       |
| <b>Creditors: amounts falling due within one year</b> | 15    | (169,644)      |                       | (145,201)      |                       |
| <b>Net current assets</b>                             |       |                | 158,769               |                | 181,913               |
| Creditors: amounts falling due in more than one year  | 16    |                | -                     |                | (57,471)              |
| <b>Net assets</b>                                     |       |                | <u><u>159,082</u></u> |                | <u><u>125,317</u></u> |
| <b>Charity funds</b>                                  |       |                |                       |                |                       |
| Unrestricted funds                                    |       |                | 153,437               |                | 86,921                |
| Restricted funds                                      |       |                | <u>5,645</u>          |                | <u>38,396</u>         |
| <b>Total funds</b>                                    |       |                | <u><u>159,082</u></u> |                | <u><u>125,317</u></u> |

For the financial year ended 31 March 2025 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The 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 by the Board of Trustees on 17 December 2025 and signed on their behalf by:



**Brigid Rentoul, Trustee**



**Nicholas Gash, Trustee**

# **PAINTINGS IN HOSPITALS**

## **(A company limited by guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### ***FOR THE YEAR ENDED 31 MARCH 2025***

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#### **1 Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

##### **1.1 Basis of preparation**

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)" (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Paintings in Hospitals meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are presented in pounds sterling and rounded to the nearest pound.

##### **1.2 Going concern**

The financial statements have been prepared on a going concern basis. The trustees have considered the charity's financial position, cash flow forecasts, and future plans, including the level of reserves and available funding.

On 29 July 2025, the charity successfully transferred its business as a going concern to CWPLUS (registered charity number 1169897). This strategic move ensures continuity of services and strengthens the charity's ability to deliver its mission under the stewardship of CWPLUS. All assets, liabilities, and ongoing operations were transferred under a binding transfer agreement in accordance with applicable regulations, safeguarding the interests of beneficiaries and stakeholders. Accordingly, the trustees consider it appropriate to prepare the financial statements on a going concern basis.

##### **1.3 Company status**

Paintings in Hospitals is a charitable company limited by guarantee incorporated in England and Wales. The address of the registered office is 4 Verney House, 1B Hollywood Road, London, SW10 9HS. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

# **PAINTINGS IN HOSPITALS**

## **(A company limited by guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 MARCH 2025**

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#### **1.4 Income**

Income from donations, grants and legacies is recognised when the charity has entitlement to the income, it is probable it will be received and the amount can be measured reliably. For donations this is usually on receipt. For grants, this is usually when a formal offer is made in writing, unless the grant contains terms and conditions which must be met before the charity is entitled to the funds. Legacies are recognised following the grant of probate when the executor of the estate has communicated in writing both the amount and settlement date. Donated services are recognised in the period in which they are utilised and are measured at their estimated fair value. Donated paintings are included in incoming and outgoing resources at an estimate of their value.

Loan programme income is apportioned over the period of the rental agreements. Income received in advance is accounted for as deferred income.

Income from other trading activities relates to art print sales and gift shop sales and is accounted for in the period in which the charity is entitled to receipt.

Investment income is recognised when it is receivable.

#### **1.5 Expenditure**

Expenditure is recognised on an accruals basis as incurred. Expenditure has been classified under headings that aggregate all costs related to the category.

Direct costs are those costs which are directly attributable to the charity's activities. Wages and salaries are allocated to direct costs based on the estimate of time spent on charitable activities by staff members.

Support costs are those costs relating to functions which assist the work of the charity but do not directly relate to its activity. Support costs are allocated to charitable activities on the basis of direct costs.

#### **1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is charged so as to write off the cost less their residual values over their expected useful lives at the following annual rates:

|                        |   |     |               |
|------------------------|---|-----|---------------|
| Furniture and fittings | - | 25% | Straight line |
| Computer expenditure   | - | 33% | Straight line |

## **PAINTINGS IN HOSPITALS**

### **(A company limited by guarantee)**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2025**

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#### **1.7 Current asset investments**

Current asset investments comprise artworks held for sale and are carried at their estimated realisable value, based on historical experience of the sales prices achieved on previous sales relative to the insurance valuations of those artworks. When such artworks are sold, a profit or loss is recognised for the difference between the carrying value and the proceeds.

#### **1.8 Financial Instruments**

The charity only has financial instruments which are classified as basic financial instruments. Short-term debtors and creditors are measured at the settlement value. Any losses from impairment are recognised in the Statement of Financial Activities.

#### **1.9 Fund accounting**

The unrestricted funds can be spent on any activity within the charity's overall objectives. Restricted funds are those subject to specific conditions imposed by the donors. Expenditure which meets these criteria is allocated to the fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### **1.10 Operating leases**

Rentals under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term.

#### **1.11 Pension contributions**

The charity makes defined contributions into employee private pension schemes. Contributions are charged to the statement of financial activities as they become payable.

#### **2 Income from donations, grants and legacies**

|                             | <b>2025</b>    | <b>2024</b>    |
|-----------------------------|----------------|----------------|
|                             | <b>£</b>       | <b>£</b>       |
| Donations and grants        | 81,279         | 129,949        |
| Previously donated artworks | 222,528        | 77,269         |
| Donated services            | -              | 8,922          |
|                             | <u>303,807</u> | <u>216,140</u> |

Previously donated artworks represented the contribution from assets which were deaccessioned from the heritage loan collection and either sold in the year or held at the year end at 40% of their insurance value. £187,795 are carried forward as a current asset investment at the year-end (note 12), (2024: £64,400).

Donated services relate to the provision of IT software and consultancy services.

Donations and Grants Income for restricted funds was £3,038 (2024: £42,383).

**PAINTINGS IN HOSPITALS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

|          |   |                |                |
|----------|---|----------------|----------------|
| <b>3</b> | <b>Income from charitable activities</b>      | <b>2025</b>    | <b>2024</b>    |
|          |   | £              | £              |
|          | Loan programme                                | 104,741        | 95,780         |
|          | Other trading activities                      | 12,519         | 6,105          |
|          |   | <u>117,259</u> | <u>101,885</u> |
| <b>4</b> | <b>Other income</b>                           |                |                |
|          | Museums, Exhibitions and Galleries Tax relief | <u>65,342</u>  | <u>-</u>       |
| <b>5</b> | <b>Expenditure on raising funds</b>           | <b>2025</b>    | <b>2024</b>    |
|          |   | £              | £              |
|          | Costs of events                               | 12,635         | 24,581         |
|          | Donations and grants                          | 18,928         | 24,611         |
|          | Support costs ( <i>Note 8</i> )               | 8,074          | 8,293          |
|          |   | <u>39,637</u>  | <u>57,485</u>  |

Costs of events, donations and grants includes staff costs of £41,775 (2023: £27,862).

|          |   |                 |                 |                |                |
|----------|---|-----------------|-----------------|----------------|----------------|
| <b>6</b> | <b>Expenditure on charitable activities</b> |                 |                 |                |                |
|          |   | <i>Direct</i>   | <i>Support</i>  | <i>Total</i>   | <i>Total</i>   |
|          |   | <i>costs</i>    | <i>Costs</i>    | <i>costs</i>   | <i>costs</i>   |
|          |   | <i>2025</i>     | <i>2025</i>     | <i>2025</i>    | <i>2024</i>    |
|          |   | £               | £               | £              | £              |
|          | Projects and programmes                     | 25,282          | 8,074           | 33,356         | 46,007         |
|          | Loan programme                              | 310,128         | 60,557          | 370,685        | 330,814        |
|          | Trading expenses                            | 7,853           | 4,037           | 11,890         | 9,283          |
|          |   | <u>343,262</u>  | <u>72,668</u>   | <u>415,930</u> | <u>386,104</u> |
|          |   | <i>(Note 7)</i> | <i>(Note 8)</i> |                |                |

Expenditure on restricted funds in the comparative period was £26,584.

**PAINTINGS IN HOSPITALS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

| <b>7</b> | <b>Direct costs</b>              | <i>Total</i><br>2025<br>£ | <i>Total</i><br>2024<br>£ |
|----------|----------------------------------|---------------------------|---------------------------|
|          | Staff costs                      | 106,835                   | 98,333                    |
|          | Freelance and consultancy costs  | 87,954                    | 68,085                    |
|          | Collection management            | 6,235                     | 8,718                     |
|          | Picture transport                | 21,768                    | 42,247                    |
|          | Cost of projects                 | 761                       | 16,066                    |
|          | Premises expenses                | 52,419                    | 49,793                    |
|          | Office costs                     | 4,312                     | 1,918                     |
|          | Travel and accommodation         | 8,265                     | 4,012                     |
|          | Marketing and IT                 | 51,725                    | 20,768                    |
|          | Other costs                      | 2,707                     | 995                       |
|          | Depreciation                     | 281                       | 542                       |
|          |                                  | <u>343,262</u>            | <u>311,477</u>            |
| <b>8</b> | <b>Support costs</b>             | <i>Total</i><br>2025<br>£ | <i>Total</i><br>2024<br>£ |
|          | Staff costs                      | 40,045                    | 48,488                    |
|          | Premises expenses                | 2,759                     | 3,036                     |
|          | Office costs                     | 227                       | 165                       |
|          | Travel and accommodation         | 435                       | 238                       |
|          | Other costs                      | 1,037                     | 2,603                     |
|          | Loan Interest                    | 5,149                     | 7,181                     |
|          | Other interest paid              | -                         | 468                       |
|          | Depreciation                     | 281                       | 542                       |
|          | Bad debts                        | 225                       | 112                       |
|          | Accountancy and consultancy fees | 22,036                    | 12,711                    |
|          | <i>Governance costs:</i>         |                           |                           |
|          | Legal and professional fees      | 8,550                     | 966                       |
|          | Independent examination fees     | -                         | 6,410                     |
|          |                                  | <u>80,743</u>             | <u>82,920</u>             |
|          | <i>Allocated to:</i>             |                           |                           |
|          | Raising funds                    | 8,074                     | 8,293                     |
|          | Charitable activities            | <u>72,669</u>             | <u>74,627</u>             |



**PAINTINGS IN HOSPITALS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**9 Staff costs**

|                       | 2025           | 2024           |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Wages and salaries    | 157,392        | 175,696        |
| Social security costs | 10,235         | 11,266         |
| Pension costs         | 2,031          | 1,634          |
| Recruitment costs     | 8,400          | -              |
|                       | <u>178,058</u> | <u>188,596</u> |

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

|                 | 2025     | 2024     |
|-----------------|----------|----------|
|                 | No.      | No.      |
| Loan Programmes | 1        | 1        |
| Administrative  | 4        | 4        |
|                 | <u>5</u> | <u>5</u> |

No employee received remuneration amounting to more than £60,000 in either year.

No remuneration, other benefits or reimbursed expenses were paid to the Trustees for the year ended 31 March 2025 (2024: none).

**10 Net expenditure**

|  | 2025  | 2024  |
|--|-------|-------|
|  | £     | £     |
| This is stated after charging:                               |       |       |
| Independent examiner's remuneration                          | 1,800 | 3,320 |
| Independent examiner's remuneration for accountancy services | -     | 3,090 |
| Depreciation   | 562   | 1,084 |

**PAINTINGS IN HOSPITALS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**11 Tangible fixed assets**

|                       | <i>Furniture</i> | <i>Equipment</i> | <i>Total</i> |
|-----------------------|------------------|------------------|--------------|
|                       | <i>£</i>         | <i>£</i>         | <i>£</i>     |
| <b>Cost</b>           |                  |                  |              |
| At 1 April 2024       | 3,175            | 2,312            | 5,487        |
| At 31 March 2025      | 3,175            | 2,312            | 5,487        |
| <b>Depreciation</b>   |                  |                  |              |
| At 1 April 2024       | 2,552            | 2,062            | 4,612        |
| Charge for the year   | 310              | 252              | 562          |
| At 31 March 2025      | 2,862            | 2,312            | 5,174        |
| <b>Net book value</b> |                  |                  |              |
| At 31 March 2025      | 313              | -                | 313          |
| At 31 March 2024      | 623              | 252              | 875          |

**12 Investments**

|                           | <i>2025</i> | <i>2024</i> |
|---------------------------|-------------|-------------|
|                           | <i>£</i>    | <i>£</i>    |
| <b>Market Value</b>       |             |             |
| At 1 April 2024           | -           | 57,238      |
| Disposals                 | -           | (56,368)    |
| Net losses on revaluation | -           | (870)       |
| At 31 March 2025          | -           | -           |

Investments were held in UK deposit funds or fixed interest bond funds.

**13 Current asset investments**

|                        | <i>2025</i> | <i>2024</i> |
|------------------------|-------------|-------------|
|                        | <i>£</i>    | <i>£</i>    |
| Artworks held for sale | 187,795     | 64,600      |

**PAINTINGS IN HOSPITALS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**14 Debtors**

|                                | 2025          | 2024          |
|--------------------------------|---------------|---------------|
|                                | £             | £             |
| Trade debtors                  | 29,984        | 36,985        |
| Prepayments and accrued income | 6,357         | 35,011        |
| Other debtors                  | 6,960         | 7,940         |
|                                | <u>43,302</u> | <u>79,936</u> |

**15 Creditors: amounts falling due within one year**

|                                  | 2025           | 2024           |
|----------------------------------|----------------|----------------|
|                                  | £              | £              |
| Rentals of paintings in advance  | 67,072         | 84,587         |
| Cultural Impact Development loan | 62,036         | 29,577         |
| Accruals and other creditors     | 35,116         | 26,679         |
| Taxation and social security     | 5,420          | 4,358          |
|                                  | <u>169,644</u> | <u>145,201</u> |

Deferred income relates to income for loan programmes received in advance. The movement is as follows:

|                                 | 2025          | 2024          |
|---------------------------------|---------------|---------------|
|                                 | £             | £             |
| Deferred income brought forward | 84,587        | 80,422        |
| Released during the year        | (58,916)      | (80,422)      |
| Arising in the current year     | 41,042        | 84,587        |
|                                 | <u>66,713</u> | <u>84,587</u> |

**16 Creditors: amounts falling due after one year**

|                                  | 2025     | 2024          |
|----------------------------------|----------|---------------|
|                                  | £        | £             |
| Cultural Impact Development loan | -        | 57,471        |
|                                  | <u>-</u> | <u>57,471</u> |

The loan bears interest of 7.8% and was repaid in full in August 2025.

**PAINTINGS IN HOSPITALS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**17 Statement of funds**

| <i><b>Current year</b></i> | <i>Brought<br/>forward<br/>£</i> | <i>Income<br/>£</i> | <i>Expenditure<br/>£</i> | <i>Other<br/>gains/<br/>(losses)<br/>£</i> | <i>Carried<br/>forward<br/>£</i> |
|----------------------------|----------------------------------|---------------------|--------------------------|--|----------------------------------|
| <b>Unrestricted funds</b>  |                                  |                     |                          |  |                                  |
| General fund               | 86,921                           | 486,295             | (419,779)                | -  | 153,437                          |
| <b>Restricted funds</b>    |                                  |                     |                          |  |                                  |
| Jerwood Foundation         | 15,813                           | -                   | (10,168)                 | -  | 5,645                            |
| National Arts Collection   | 20,583                           | 3,038               | (23,621)                 | -  | -                                |
| Finnis Scott               | 2,000                            | -                   | (2,000)                  | -  | -                                |
| Total restricted funds     | 38,396                           | 3,038               | (35,789)                 | -  | 5,645                            |
| <b>Total funds</b>         | <b>125,317</b>                   | <b>489,333</b>      | <b>(455,568)</b>         | <b>-</b>                                   | <b>159,082</b>                   |

The Jerwood Foundation awarded a grant of £10,000 each year for three years to conserve and frame artwork within the charity's collection. Significant artworks will be selected with prioritisation being on works that can be placed immediately within partner sites. £25,813 has been expensed in the year.

The National Arts Collection awarded a grant of £30,383 towards engaging a freelance Impact and Evaluation Consultant over a 15-month period to support staff. This Consultant began work in October 2023.

Finnis Scott awarded a grant of £2,000 to assist with the costs of the rationalisation of storage space. Work on this began in April 2024.

**PAINTINGS IN HOSPITALS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**17 Statement of funds (continued)**

| <i>Prior year</i>         | <i>Brought forward</i> | <i>Income</i> | <i>Expenditure</i> | <i>Other gains/ (losses)</i> | <i>Carried forward</i> |
|---------------------------|------------------------|---------------|--------------------|------------------------------|------------------------|
| £                         | £                      | £             | £                  | £                            | £                      |
| <b>Unrestricted funds</b> |                        |               |                    |                              |                        |
| General fund              | 227,154                | 277,642       | (417,005)          | (870)                        | 86,921                 |
| <b>Restricted funds</b>   |                        |               |                    |                              |                        |
| Burdett Trust             | 3,197                  | -             | (3,197)            | -                            | -                      |
| South Wales Care Homes    | 9,400                  | -             | (9,400)            | -                            | -                      |
| Jerwood Foundation        | 10,000                 | 10,000        | (4,187)            | -                            | 15,813                 |
| National Arts Collection  | -                      | 30,383        | (9,800)            | -                            | 20,583                 |
| Finnis Scott              | -                      | 2,000         | -                  | -                            | 2,000                  |
| Total restricted funds    | 22,597                 | 42,383        | (26,584)           | -                            | 38,396                 |
| <b>Total funds</b>        | 249,751                | 320,025       | (443,589)          | (870)                        | 125,317                |

Other gains and losses above relate to a loss on the revaluation of investments of £870

**18 Analysis of net assets between funds**

|                | <i>Restricted funds</i> | <i>Unrestricted funds</i> | <i>Total funds</i> | <i>Total funds</i> |
|----------------|-------------------------|---------------------------|--------------------|--------------------|
|                | 2025                    | 2025                      | 2025               | 2024               |
|                | £                       | £                         | £                  | £                  |
| Fixed assets   | -                       | 313                       | 313                | 875                |
| Current assets | 5,645                   | 322,768                   | 328,413            | 327,114            |
| Liabilities    | -                       | (169,644)                 | (169,644)          | (202,672)          |
|                | 5,645                   | 153,437                   | 159,082            | 125,317            |

Total funds for 2024 included restricted funds of £38,396.

**PAINTINGS IN HOSPITALS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**19 Paintings**

The charity’s loan collection is not reflected in these accounts as, in the opinion of the Trustees it is a heritage asset and it is neither practical nor beneficial to reflect the true value of the collection. At 31 March 2025 the total collection, which includes lent, purchased and donated artworks, comprised 3,163 works of art. These are insured on a first loss basis for £2.5 million, although they would most likely realise less than this if sold on the open market. Movements on the number of artworks and insured values over the past 3 years are as follows:

|                    | 31 March |       |       |
|--------------------|----------|-------|-------|
|                    | 2025     | 2024  | 2023  |
| Number of artworks | 3,163    | 3,403 | 3,679 |
| Insured value      | £2.5m    | £2.9m | £3.5m |

**20 Related party transactions**

Related parties include the charity’s trustees and key management personnel. The total employee benefits, including employer’s National Insurance and pension contributions, paid to key management personnel during the year was £37,997 (2024: £59,943).

No remuneration or other benefits were paid to trustees during the year (2025: none). No trustees were reimbursed for expenses (2024: One trustee £490 travel expenses)

No donations were received from trustees (2024: donations from seven trustees £905).

**21 Post Balance sheet event**

On 29 July 2025, the charity successfully transferred its business as a going concern to CWPLUS (registered charity number 1169897). This strategic move ensures continuity of services and strengthens the charity’s ability to deliver its mission under the stewardship of CWPLUS. All assets, liabilities, and ongoing operations were transferred under a binding transfer agreement in accordance with applicable regulations, safeguarding the interests of beneficiaries and stakeholders.