

**Report of the Trustees and
Audited Financial Statements for the Year Ended 31 March 2021
for
Project Art Works
(A Company Limited by Guarantee)**



Covid -19 art boxes preparation, Hastings Observer Building residency, Aida Ashall studio practice

Project Art Works

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Project Art Works

Report of the Trustees for the Year Ended 31 March 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted 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).

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in UK and the Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

1 CHARITABLE ACTIVITIES

1.1 Mission and Vision

"I went to the studio for the first time on Tuesday. Mark always helps me with the paint and the water. He's a nice man. He's got a face mask now. I didn't wear one. When I came home, I felt wonderful! I felt wonderful! I'm going again next Tuesday, in the afternoon. When I came home, my boyfriend was looking for me, then he saw me when I got back. He was so pleased to see me when I got back! Yes, I was happy!" Participant Artist, PROPEL 2020

"I used to be a very confident and outspoken person. That got stripped away and I became an introvert. I became very isolated and very reluctant to engage with anybody. The COVID thing just made that worse. When Esther proposed PSN [Peer Support Network] via Zoom, I panicked and thought I wasn't ready. I was keeping the door shut and the curtain pulled! But because I felt supported, I've been able to maintain a level of engagement and therefore I've benefited socially, mentally and emotionally. I've made a friend or two along the way. I've been given information that I wouldn't have had access to or awareness of, had I not been supported through the PSN." Parent carer 2020

Founded in 1997, Project Art Works is a collective of neurodiverse artists and carers. Our programmes evolve through creative practice and radiate out to awareness raising in the cultural and care sectors, promoting more diverse representation in programming and relevancy for audiences. We disseminate the work of neurodivergent artists and makers through a wide range of projects, exhibitions, co-commissions, films, publications and digital platforms, increasing neurodiverse representation in programming, and deepening understanding and visibility.

Our work aspires to excellence in contemporary visual art and works toward greater rights and representation in culture and care. Project Art Works' collaborations, projects, events and studio actions challenge societal definitions of art and intent, value, communication and identity.

Our core aims are to:

- collaborate with people who have complex support needs in ways that increase their wellbeing
- provide advocacy and support for families, unpaid carers and support teams of people who have complex needs
- change perceptions and enable the wider community and art audiences to appreciate how neurodiverse¹ communities enrich our lives

Personalised and holistic studio environments are recreated wherever a project takes place. The studio is a place without hierarchy where events and happenings unfold revealing the lived experience and qualities of all those involved. Artists/makers work together with artist facilitators in purposeful collaboration using total communication that utilises gesture, sound, signing and empathy and as such is an expansive rather reductive form of connection.

The activities and ethos of Project Art Works reflect the social model of disability that in its simplest form moves the focus away from peoples' impairments and towards removing the barriers to inclusion that disabled people face in everyday life.

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Report of the Trustees for the Year Ended 31 March 2021

1.2 Strategic Development:

Our work is planned and developed using the following priority areas:

- **DEEPER** - PIONEER ARTISTIC AND SOCIAL IMPACT
- **BROADER** - BRIDGE ART AND SOCIAL CARE
- **BIGGER** - GROW NATIONAL AWARENESS

Key achievements during 2020 - 2021 include:

Meeting the challenges of Covid- 19

The uncertainty and spread of the Covid-19 virus dominated this financial year. As the UK returned to lockdown measures in October 2020, Project Art Works applied for and was given 'essential service' status by East Sussex Adult Social care. This was fundamental to us in maintaining a blended programme that supported individuals and their care support systems. The health crisis continued to impact heavily on our core stakeholders of disabled children and adults, their families and caregivers. Many were self-isolating for months due to health conditions. Those living within care settings were locked down with little or no access to their loved ones for long periods of time. The system of support for people running their own provisions via direct payments or personal health budgets was seriously challenged with support workers/personal assistants (PAs) affected by Covid-19 and self-isolating. To respond to families in crisis, we increased personalised support and formalized the peer support group into The Support Collective: increasing group and 1:1 meet-ups, provided access to: legal support, advocacy, skills development and training. We also maintained and regularly updated the Support Collective Covid 19 Resource section on our website.

"Throughout the COVID crisis and even prior to that, the only service we have accessed without any issue, without any fall in position, has been PAW. They have excelled themselves in acquiring emergency funding to make sure that [their] service continues for my son. They are professional but they are compassionate and empathetic too. You know exactly where you stand. You know where the boundaries are, as does my son. They will do whatever they can to support the artists and their families." Parent carer 2020

Funders temporarily suspended their grant programmes and focused on providing Covid-19 emergency funding. The strong relationships we have with major funders including the Arts Council England, Paul Hamlyn Foundation, Three Guineas Trust, National Lottery Community Fund and developing new relationships enabled us to weather the storm and continue to build on our positive impact on the lives of people marginalised in society

1.2.1 Deeper

The ongoing cuts to Adult Social Care funding as a result of the reduction in grant aid to local authorities since 2010, continue to have a disproportionate impact on people who have disabilities and personal care needs and those who care for them. Between 2010-20, East Sussex County Council (ESCC) cut £129 million from its budget, there is growing uncertainty on what the impact of Covid-19 will have on local authority budgets in the immediate, medium and long term.

The Support Collective continues to build a strong network of family carers and people with lived experience of disability. Regular meetings via zoom and smaller face to face meetings have increased the network and begun to form a strong and coherent range of issues to be addressed in partnership with each other, commissioners and service providers. As we emerge from the COVID crisis, providers are seeking to harness the resilience and resourcefulness they have witnessed from communities and to work in partnership with them to reimagine services. We are uniquely positioned to influence and ensure that policy development is personalised and specific to the needs of people who have complex support needs and their caregivers.

Project Art Works continues to work in partnership with Health and Social Care services in East Sussex and across the UK within our outreach programmes. Demand for our in-house programmes continues to grow with enquiries from Social Services, Transition teams and care settings seeking community based, specialised activity for young people and adults.

Art, Freedom, Care

Taking forward the developments from the Propel programme, Art, Freedom, Care has been responsive and continued to deliver meaningful bespoke creative engagement throughout the pandemic. The programme brings together the strands of our in-house Adult programme

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Report of the Trustees for the Year Ended 31 March 2021

The Support Collective

The Support Collective reflects the diversity of voices brought together - from people with lived experience of complex support needs, their circles of support, families, carers, support workers, PAs and representatives from health and social care.

We collectively share the aim of working towards person-centred, accountable and inclusive models of support and care, and protecting the rights of people with support needs.

Through free training, skills development and advocacy, families and caregivers have opportunities to utilise and develop their knowledge.

"The PSN [Support Collective] is helping us to deal with COVID. We've been isolating since late February/ early March. We were very ill. The only contact I had at all was with PAW. I emailed and explained that I was very, very nervous about doing the PSN Zoom sessions. I've been so unwell and didn't know if I was going to be able to mentally or physically apply myself in that hour. They came back and said there was no pressure. It's very, very informal and you can put your screen on black if you're not comfortable. I logged on and continued the sessions right the way through." Parent Carer 2020

Studio Practice

Our inclusive studios in Hastings offer specialist visual arts provision for new and existing participants with complex support needs, facilitating their creativity through personalised pathways. Artist/makers generally come to the studio for the same session(s) each week, building a community of peers and collaborators.

Each session is tailored to the needs of the people in the studio, and all of our work is characterised by a personalised approach that facilitates choice and expansive creative practice. This creative work is delivered by the Artist Collective, which works alongside the Support Collective to provide comprehensive support for individuals.

Across the week, we work with adults who have complex support needs, including those with profound and multiple disabilities. Artist/makers have access to a wide range of professional media and creative processes including painting, drawing, printmaking, collage, sculpture, animation and photography. Studio sessions provide the time and space for artist/makers to work with these stimuli and to explore their own potential as artists. Specific sessions are targeted to support individuals with shared experiences or interests (e.g. those going through a period of transition).

"I have never in my whole life as a mother, as a teacher or as a worker in mental health, come across a team that have such an awareness about the individual. It takes a lot of time, effort and pre-planning, with the ability to be flexible and change without it impacting upon the individual. The team are mindful and present in every single moment, then they make subtle and sensitive changes. That comes from listening to what parents or carers are saying, watching the individual and adapting without making any fuss. That is a very special set of skills and all of PAW's team members have that amazing skillset." Parent Carer.

Studio B

Introduced in response to the March 2020 national lockdown, Studio B is a programme that addresses the unique challenges of COVID-19 through digital and community-based creative practice. Working with neurodivergent artists, collaborators, families and caregivers, we have facilitated ongoing, in-depth collaborations through personalised pathways of creative contact and exchange.

As restrictions change and the national situation evolves in response to COVID-19, we have made our studio spaces COVID Secure and offer a blended creative programme which spans Studio B on-line, and studio-based workshops.

Art Breaks - Children and Young people's programme

Art Breaks is an ongoing evolving programme for children with complex support needs, their siblings and family funded through BBC Children in Need and a number of Trusts and Foundations.

"I delivered a creative art materials pack to J's house this week. It included a number of items he'd requested. He was thrilled to open it 'live' on zoom. We worked together using his materials. He was really happy his list had been 'realised'". Artist evaluation feedback, April 2021, supporting a child in self-isolation.

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The studios are set up with open propositions of approaches and materials. All of the participants are encouraged to lead on their artistic involvement. Their response to the space and materials inspires innovative artwork and shapes the project and how it is facilitated. There is no pre-determined outcome within the workshops, so each of the individual responses are valued and respected. This personalised approach gives all participants ownership over the environment and recognises all levels of creative input.

'D is new to Art Breaks. She crawled into one of the very large boxes and called it her home, she asked to put a roof on it and then asked for it to be left here so that she can come back. She worked on large scale Fabriano paper with rollers, spray bottles, and large brushes. She really enjoyed it and would be a good candidate for the Saturday programme. She has tonnes of ideas and would benefit from further opportunities to be here.' Lead Artist evaluation, April 2021

The project supports all members of the family. Participants, parents and siblings can take part in the supportive creative activity that shapes the environment. We believe that participation in the arts can give children and their families important time together in a very supportive open environment and a way to articulate their feelings and experiences with and without words.

'I just cannot thank the whole team enough for what you do. The happiness and cleansing is very powerful. They really enjoyed exploring new and different techniques and this was very relaxing and calming for them. The artists calming and positive manner was exactly what IS so desperately and unknowingly needs. She is so calm when she leaves here.' Parent of three Saturday Art Breaks sessions, March 2021

1.2.2 Broader:

Off -Site Programme

EXPLORERS - Illuminating the Wilderness (2017-20)

The final Explorers exhibition opened at Autograph Gallery, London in February 2020. 'Have You Ever Had' is a solo exhibition by Sharif Persaud who is a Project Art Works artist/maker. Placing himself at the centre of his work, Sharif Persaud explores identity through his experience of contemporary life and autism. The gallery is planning to relaunch the exhibition when restrictions are lifted.

Planning and partnership development and applications are underway to launch Explorers II - the next stage.

Communications

Over the past 12 months online communication has been maintaining connection, support and contact with our key stakeholders and a community who has been isolated for long periods of time. There has been a regular and consistent pulse of information and resources made available through newsletters, social media platforms and our websites. Audience numbers have increased across the board.

Hastings Observer Building Residency

To launch our new creative programme Art, Freedom, Care; Project Art Works took over the ground floor of the historic Observer Building in Hastings for a two-week residency where artists and makers experimented with new ways of working in this large open space.

Art on loan

Through Art on Loan we develop mutually beneficial relationships with the corporate sector.

Art on Loan offers businesses and individuals the opportunity to hire or buy original artworks for exhibition from our archive. The works in the collection have been created by Project Art Works' artist makers and consist largely of paintings, prints and drawings which encompass a diverse range of approaches to image making: from figuration to abstraction. The collection is constantly expanding and is a live and vibrant resource. Art on Loan enables Project Art Works to access corporate philanthropy through our most significant donor asset, the art. It also enables us to increase awareness about our work and the people we work with in this sector. In exchange for the exhibition we negotiate a donation with each business and this contributes to a more sustainable and diverse funding base.

Premier Inn - Premier Plus

Behind the scenes during lockdowns, the Premier Inn team upgraded a significant number of their rooms to Premier Plus. Having negotiated a license agreement to reproduce a painting by Carl Sexton, another two artworks are now under license for reproduction for the continuation of this rollout. Premier Inn also renewed their Art on Loan agreement and are continuing to use their hotel lobby walls as gallery spaces to raise awareness about neurodiversity within their staff teams and their guests.

Project Art Works

Report of the Trustees for the Year Ended 31 March 2021

Stock Spirits Group

Now in its sixth year, we continue to receive support from the Stock Spirits group for our Art on Loan programme. The artworks are installed in their Head Office in Buckinghamshire.

Capreon

Having reignited our relationship, a new Art on Loan agreement is in place and the artwork has been installed in their central London office.

1.2.3 Bigger:

National Lottery 30 Million campaign

In October 2020 we collaborated with Camelot - The National Lottery '£30m A Week To Good Causes' campaign. The campaign used artworks by Gemma. The aim of the campaign was to shine a light on the scale of the sum of money that is raised, where it goes and what it can achieve.

"The decision to use Gemma's art on the National Lottery billboard ad was exciting because it underlined the organisation's determination to showcase the talents of its roster of neurodiverse artists and makers to the widest audience possible." Tim Corrigan, Creative Director at Project Art Works

We are in discussion regarding a new campaign that builds on the existing relationship. The National Lottery grant supports our Art, Freedom, Care programme.

Jarman Award for Film

'Illuminating the Wilderness' a new film by Project Art Works made during EXPLORERS was joint winner of the prestigious Film London 2020 Jarman Award.

'Illuminating the Wilderness is about everything while appearing to be about nothing much, if you choose not to enter into its world. It's about noticing people who notice things. It's about paying attention. In essence this is a journey narrative. Our story arc comprises bold adventure and safe return. Unconventional as it may appear, it is also a film about a family; a realisation which comes to me in the segments documenting the return from the wilderness to the glow of a wood burning stove.' Excerpt from a review by Sonia Boué, a neurodivergent artist.

DOCUMENTA FIFTEEN

Project Art Works have become a global partner for DOCUMENTA 15 that will take place over 100 days between June 18 until September 25, 2022 in Kassel, Germany.

Ruangrupa are an artist collective based in Indonesia and are the artist leads for Documenta 15: "We want to create a globally oriented, cooperative, interdisciplinary art and culture platform that will remain effective beyond the 100 days of documenta fifteen. Our curatorial approach aims at a different kind of collaborative model of resource use-economically, but also in terms of ideas, knowledge, programs, and innovation." Project Art Works is one of 15 collectives invited to become the core group for delivery of the documenta 15 collaborative actions and artworks.

Claremont Galley - adjacent to the newly refurbished Hastings Library, 12 Claremont

We are collaborating with Heart of Hastings/Community Land Trust to regenerate this building and will take over the ground floor at street level to run as an inclusive gallery/event space. This place-making opportunity will be connected directly to the local community through exhibitions, events, workshops, and a volunteer programme. Whilst we wait for the finalization of lease negotiations we have been installing a series of installations in the public window space to build local interest, this has been appreciated by local residents throughout lockdowns.

Significance of Volunteer Activity

To reduce the number of people accessing our buildings to control the risks involved in continuing to deliver our face-to-face programme during the pandemic, we halted our volunteer programme. Two volunteers had skills that we were able to use in supporting our on-line Studio -B and support collective programme.

2 GOVERNANCE

There were no Trustee resignations throughout the year. We increased our board membership with 3 neurodiverse artist/advocates Anna Farley, Sam Grant and Charlotte Stephens joined the board.

Project Art Works

Report of the Trustees for the Year Ended 31 March 2021

3 ACHIEVEMENTS AND PERFORMANCE

During 2020-21 Project Art Works:

- Delivered 400 sessions of artistic engagement for people with complex needs across our programme.
- Delivered 24 Support Collective meet-up for families to negotiate and plan for their young person's future and multiple 1:1 individual support sessions.
- Delivered 12 online talks and interviews to raise awareness
- Reached over 220,000 audiences through the **Jarman Award film** tour.
- Over 30,000,000 saw the work of Gemma and Project Art Work through The National Lottery £30 million campaign. With a new production/agreement underway.
- Increased our digital footprint with new audiences and information sharing across online platforms.
- Maintained our corporate loan activity and negotiated a new licensing agreement for reproduction rights for use in Premier Plus rooms.
- Maintained a pulse of activity through Claremont Gallery window with a series of window exhibits.
- Maintained a community presence through the Hastings Observer residency

3.1 Major awards

Arts Council England, Covid 19 Emergency funding awarded £171,830.

DCMS Arts Council Recovery Fund awarded £136,000

The National Lottery, Extension funding (to support existing grant holders coming to the end of their grant period whilst funding was paused) £44,500

Paul Hamlyn Foundation - Covid-19 Emergency Funding awarded £100,000 to support core and programme delivery

Three Guineas Trust awarded £240,000 over three years to support Art, Freedom, Care

Esme Fairbairn, Covid-19 Resilience funding £120,000 over two years to support Core

The Rayne Foundation £75,000 over three years to support Core

The Board of Trustees, Project Art Works team, participants, families and support networks would like to thank all our funders for their continuing support, without which our participants voices could not be heard.

3.2 Key Performance Indicators

Our three-year business plan sets out planned programming, objectives and key performance indicators over that period. The business plan is reviewed and updated annually, agreed by the board and submitted to the Arts Council England.

The Arts Council, England reviews our performance provides feedback on our progress.

4 FINANCIAL REVIEW

4.1 Principle risks and uncertainties affecting the financial position

The full financial impact of COVID-19 is unknown. We have secure long-term relationships with key funders, this has been demonstrated during this challenging period and our ability to secure funding. However, we remain cautious and aware of future limitations on Statutory and Trust and Foundations grant funding, and the likelihood the funding levels will come under pressure. We are closely monitoring opportunities from Government 'Levelling up' grants and supporting local authority consortium bids to ensure that we have a solid relationship to lever funding.

4.2 Reserves policy

The Trustees annually consider the reserves policy and the risks facing the organisation, they have agreed a strategy to continue to build reserve funds over the next 5 years.

Reserves were identified for two distinct areas:

I. Building - the Trustees considered potential risks not covered by insurance or planned expenditure.

II. Operational - the Trustees considered that reserves should be built up to cover potential risks as follows:

- 3 months operational costs
- redundancy costs, contingency for outstanding liabilities, and professional costs
- contingency for fluctuations in funding cycles

Project Art Works

Report of the Trustees for the Year Ended 31 March 2021

In 2020 -21 we were able contribute £19,000 toward building reserves that protect the continuation of our core work and provide cover for risks such as unforeseen expenditure and loss of anticipated income. Going forward we aim to develop unrestricted income through Art on Loan and associated sales of work to build reserves.

The total amount of funds held at 31 March 2021 was £897,734 (2020-£444,575). Of these funds £795,805 (2020-£367,600) were restricted. Unrestricted funds were £101,929 (2020-£76,975).

5. PLANS FOR FUTURE PERIODS

We have a three-year funding strategy in place which is reviewed regularly by the senior management team. We actively seek longer-term funding grants of 3-5 years to provide organisational stability.

We closely monitor our financial performance and remain open to new funding opportunities.

New corporate responsibility relationships are in development to mitigate risk and reduce our reliance on grant funding. With our raised profile through international programmes and Turner Prize nomination we anticipate this being a growth area.

Our three-year business plan sets out our agenda and programme plan. Our programme delivery is evaluated by a independent evaluator skilled in our area of work. Information gathered is used to inform our on-going practise and highlights areas that require more focused work.

COVID-19 and the rapid closure of services and increased health concerns highlighted the risks to neurodivergent people and the fragility of the family and care support networks they rely on to access the world.

We have increased our capacity and resources to enable additional support, training and advocacy to families caring for the neurodivergent adult child in crisis. This vital work will be included in all future delivery across our programmes.

FULFILMENT OF PUBLIC BENEFIT REQUIREMENTS OF THE CHARITIES ACT 2006

Project Art Works provides benefits to children, young people and adults who have profound neurological and physical impairment in the form of access to high quality visual art projects that support them in communication and self-expression and which break down barriers to their rights and equalities.

These benefits are related to our stated aims: 'The objects of Project Art Works shall be to relieve persons, and in particular children and young people with disabilities by the provision of facilities for the practice and study of art as a form of therapy.'

The benefits derived by participating individuals are carefully monitored and evaluated against any detriment or harm. Participants are protected through the implementation of a Children and Vulnerable Adults protection policy, and through risk assessments carried out in liaison with care agencies and/or parents. The beneficiaries are appropriate to the aims, with an emphasis on individuals at the highest end of the spectrum of complex needs. There are no direct charges to individuals

The trustees have given due regard to the Charity Commission's guidance on public benefit.

STRATEGIC REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Trustees

New trustees are appointed on the nomination of the Trustees made in the light of the Charity's needs and following an interview. Their induction includes meeting office staff, being briefed on procedures, and addressing any training needs they may have.

Management

The day to day management has been delegated to K Adams. The trustees held three board meetings during the year which were also attended by key personnel.

Project Art Works

Report of the Trustees for the Year Ended 31 March 2021

Major risks have been reviewed and systems and procedures have been established to manage the risks.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The major risks have been reviewed and systems and procedures have been established to manage those risks.

Throughout the course of the year, Trustees were kept apprised by senior management of potential external threats and opportunities to the organisation.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05115045 (England and Wales)

Registered Charity number

1104301

Registered office

Arch 3
Braybrook Terrace
Hastings
East Sussex
TN34 1TD

Trustees

N Candler	Chief Executive
M Purdey	
C Whistler	
E S Illingworth	
N L Farrington	
J N Cannell	
L M Gutowski	

Company Secretary

W Routley

Auditors

Deeks Evans Audit Services Limited
Statutory Auditor
36 Cambridge Road
Hastings
East Sussex
TN34 1DU

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees (who are also the directors of Project Art Works for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

Project Art Works

Report of the Trustees for the Year Ended 31 March 2021

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

We, the trustees of the charitable company who held office at the date of approval of these Financial Statements, as set out above, each confirm that as far as we aware, that:

- there is no relevant audit information of which the charitable company's auditors are not aware; and
- we have taken all the steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Deeks Evans Audit Services Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 8 November 2021 and signed on the board's behalf by:

N Candler - Trustee

Report of the Independent Auditors to the Members of Project Art Works

Opinion

We have audited the financial statements of Project Art Works (the 'charitable company') for the year ended 31 March 2021 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2021 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Project Art Works

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through verbal and written communications with those charged with governance and other management, and via inspection of the charitable company's regulatory and legal correspondence.

We discussed with those charged with governance and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations to our team and remained alert to any indicators of non-compliance throughout the audit, we also specifically considered where and how fraud may occur within the company.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements, including: the charitable company's constitution, relevant financial reporting standards and company law, and we assess the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, for instance through the imposition of fines and penalties, or through losses arising from litigations. We identified the following areas as those most likely to have such an affect: child safeguarding, adults at risk safeguarding, employment legislation, health and safety legislation, operating licences regarding the charitable company's operating premises, data protection legislation and anti-bribery and corruption legislation.

Report of the Independent Auditors to the Members of Project Art Works

International Standards on Auditing (UK) limit the required procedures to identify non-compliance with these laws and regulations to the procedures, and no procedures over and above those already noted are required.

These limited procedures did not identify any actual or suspected non-compliance with laws and regulations that could have a material impact on the financial statements.

In relation to fraud, we performed the following specific procedures in addition to those already noted:

- Identifying and testing journal entries, in particular any entries posted with unusual nominal ledger account combinations, journal entries crediting cash or any revenue account and journal entries posted by senior management;
- Performing analytical procedures to identify unexpected movements in account balances which may be indicative of fraud; and
- Ensuring that testing undertaken on transactions and the Balance Sheet includes a number of items selected on a random basis.

These procedures did not identify any actual or suspected fraudulent irregularity that could have a material impact on the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with International Auditing Standards UK). For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the procedures that we are required to undertake would identify it. In addition, as with any audit, there remains a high risk of non-detection of irregularities, as these might involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls. We are not responsible for preventing non-compliance with laws and regulations or fraud, and cannot be expected to detect non-compliance with all laws and regulations or every incidence of fraud.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Young (Senior Statutory Auditor)
for and on behalf of Deeks Evans Audit Services Limited
Statutory Auditor
36 Cambridge Road
Hastings
East Sussex
TN34 1DU

Date: 8 November 2021

Project Art Works

Statement of Financial Activities for the Year Ended 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	32,020	1,077,721	1,109,741	530,337
Other trading activities	3	5,339	44,959	50,298	65,459
Investment income	4	<u>2,067</u>	<u>-</u>	<u>2,067</u>	<u>3,787</u>
Total		39,426	1,122,680	1,162,106	599,583
EXPENDITURE ON					
Raising funds	5	-	1,896	1,896	470
Charitable activities	6				
Projects		<u>106,722</u>	<u>600,329</u>	<u>707,051</u>	<u>748,633</u>
Total		<u>106,722</u>	<u>602,225</u>	<u>708,947</u>	<u>749,103</u>
NET INCOME/(EXPENDITURE)		(67,296)	520,455	453,159	(149,520)
Transfers between funds	17	<u>92,250</u>	<u>(92,250)</u>	<u>-</u>	<u>-</u>
Net movement in funds		24,954	428,205	453,159	(149,520)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>76,975</u>	<u>367,600</u>	<u>444,575</u>	<u>594,095</u>
TOTAL FUNDS CARRIED FORWARD		<u>101,929</u>	<u>795,805</u>	<u>897,734</u>	<u>444,575</u>

Project Art Works

Balance Sheet 31 March 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	12	59,308	67,543
CURRENT ASSETS			
Debtors	13	14,401	13,456
Cash at bank and in hand		<u>866,194</u>	<u>386,558</u>
		880,595	400,014
CREDITORS			
Amounts falling due within one year	14	(42,169)	(22,982)
NET CURRENT ASSETS		<u>838,426</u>	<u>377,032</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>897,734</u>	<u>444,575</u>
NET ASSETS		<u>897,734</u>	<u>444,575</u>
FUNDS	17		
Unrestricted funds		101,928	76,975
Restricted funds		<u>795,806</u>	<u>367,600</u>
TOTAL FUNDS		<u>897,734</u>	<u>444,575</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 8 November 2021 and were signed on its behalf by:

N Candler - Trustee

M Purdey - Trustee

Project Art Works

Cash Flow Statement for the Year Ended 31 March 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>488,945</u>	<u>(149,742)</u>
Net cash provided by/(used in) operating activities		<u>488,945</u>	<u>(149,742)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(11,619)	(8,711)
Sale of tangible fixed assets		2,043	-
Interest received		<u>267</u>	<u>874</u>
Net cash used in investing activities		<u>(9,309)</u>	<u>(7,837)</u>
Change in cash and cash equivalents in the reporting period		<u>479,636</u>	<u>(157,579)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>386,558</u>	<u>544,137</u>
Cash and cash equivalents at the end of the reporting period		<u>866,194</u>	<u>386,558</u>

Project Art Works

Notes to the Cash Flow Statement for the Year Ended 31 March 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	453,159	(149,520)
Adjustments for:		
Depreciation charges	17,812	18,346
Interest received	(267)	(874)
(Increase)/decrease in debtors	(946)	7,846
Increase/(decrease) in creditors	<u>19,187</u>	<u>(25,540)</u>
Net cash provided by/(used in) operations	<u>488,945</u>	<u>(149,742)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	<u>386,558</u>	<u>479,636</u>	<u>866,194</u>
	<u>386,558</u>	<u>479,636</u>	<u>866,194</u>
Total	<u>386,558</u>	<u>479,636</u>	<u>866,194</u>

Project Art Works

Notes to the Financial Statements for the Year Ended 31 March 2021

1. ACCOUNTING POLICIES

Accounting convention

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when received.

Non Government Grants, including grants for the purchase of fixed assets, are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

The charity has received government grants in respect of Covid Resilience, Covid Infection Control and the Coronavirus Job Retention Scheme. Income from government is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

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

Resources expended

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

Costs of generating funds comprise the costs associated with running specific projects. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and includes the audit fee.

Tangible fixed assets

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

Short leasehold - over the lease term
Fixtures and fittings - 50% on reducing balance

All assets with a net book value of less than £100 were written off in the year.

Debtors receivable and creditors payable within one year

Debtors and creditors receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Taxation

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

Project Art Works

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Operating leases

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

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	25,346	33,059
Gift aid	274	256
Grants	1,045,066	493,726
HMRC employment allowance	4,000	3,000
Other income	1,793	296
Government grants	33,262	-
	<u>1,109,741</u>	<u>530,337</u>

Project Art Works

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

2. DONATIONS AND LEGACIES - continued

Non-Government grants received, included in the above, are as follows:

	2021	2020
	£	£
Arts Council England	505,299	149,676
East Sussex County Council, Childrens Services	8,000	-
Sussex Community Foundation	3,620	-
Rayne Foundation	25,000	-
LLoyds TSB Foundation	33,000	-
The Three Guineas Trust	162,475	68,000
Paul Hamlyn Foundation	153,500	66,500
St James's Place Foundation	5,000	-
The Ernest Kleinwort Benson Trust	-	5,000
East Sussex County Council	-	8,000
The Magdalen and Lasher Charity	4,000	3,500
BBC Children in Need	30,024	23,388
Artworks Bridge	1,600	1,000
The Drapers Charitable Trust	-	10,000
The Chalk Hill Trust	-	5,000
The 29 May 1961 Charitable Trust	4,000	4,000
The National Lottery	44,548	126,262
Hastings Enrichment Fund	-	6,400
Arts Council England	-	1,000
The Daytrippers Foundation	-	1,000
The Sussex Community Foundation	-	5,000
The Baily Thomas Foundation	-	10,000
Esmee Fairbairn Foundation	60,000	-
The Childwick Trust	5,000	-
	<u>1,045,066</u>	<u>493,726</u>

Government grants received, included in the above, are as follows:

	2021	2020
	£	£
Covid Resilience	14,976	-
Covid Infection Control	12,200	-
Coronavirus Job Retention Scheme	6,086	-
	<u>33,262</u>	<u>-</u>

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fees Earned	46,279	64,660
Sale of works	4,019	799
	<u>50,298</u>	<u>65,459</u>

Project Art Works

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

4. INVESTMENT INCOME

	2021	2020
	£	£
Rents received	1,800	2,913
Deposit account interest	<u>267</u>	<u>874</u>
	<u>2,067</u>	<u>3,787</u>

5. RAISING FUNDS

Other trading activities

	2021	2020
	£	£
Participants artwork	-	228
Materials	116	-
Postage, printing & stationery	74	177
Artists fees	1,702	-
Sundry expenses	-	65
Payment fes	<u>4</u>	<u>-</u>
	<u>1,896</u>	<u>470</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Projects	<u>595,360</u>	<u>111,691</u>	<u>707,051</u>

7. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Projects	<u>107,011</u>	<u>4,680</u>	<u>111,691</u>

Support costs, included in the above, are as follows:

	2021	2020
	Projects £	Total activities £
Wages	52,963	44,575
Social security	5,298	4,415
Pensions	2,539	1,783
Rent, utilities & insurance	11,665	10,761
Telephone & internet	1,928	1,333
Postage & Stationery	4,369	3,940
Travel & subsistence	141	829
Repairs	21,445	7,592
Bank charges	160	318
Depreciation of tangible and heritage assets	6,503	5,939
Auditors' remuneration	<u>4,680</u>	<u>4,500</u>
	<u>111,691</u>	<u>85,985</u>

Project Art Works

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Audit	2,340	2,250
Accountancy	2,340	2,250
Depreciation - owned assets	<u>17,811</u>	<u>18,346</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	287,928	274,675
Social security costs	27,649	20,394
Other pension costs	<u>13,167</u>	<u>11,013</u>
	<u>328,744</u>	<u>306,082</u>

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

	2021	2020
	<u>11</u>	<u>13</u>
Programme & Administration staff		

There were no employees whose totals benefits exceeded £60,000 (2020 - none).

Key personal remuneration benefits for the year were £174,165 (2020 - £162,522).

Project Art Works

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	4,711	525,626	530,337
Other trading activities	58,544	6,915	65,459
Investment income	<u>3,787</u>	<u>-</u>	<u>3,787</u>
Total	67,042	532,541	599,583
EXPENDITURE ON			
Raising funds	470	-	470
Charitable activities			
Projects	74,882	673,751	748,633
Total	<u>75,352</u>	<u>673,751</u>	<u>749,103</u>
NET INCOME/(EXPENDITURE)	(8,310)	(141,210)	(149,520)
Transfers between funds	<u>(17,063)</u>	<u>17,063</u>	<u>-</u>
Net movement in funds	(25,373)	(124,147)	(149,520)
RECONCILIATION OF FUNDS			
Total funds brought forward	102,348	491,747	594,095
TOTAL FUNDS CARRIED FORWARD	<u>76,975</u>	<u>367,600</u>	<u>444,575</u>

12. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 April 2020	97,443	-	73,194	170,637
Additions	-	-	11,619	11,619
Disposals	<u>-</u>	<u>(8,165)</u>	<u>(35,493)</u>	<u>(43,658)</u>
At 31 March 2021	<u>97,443</u>	<u>(8,165)</u>	<u>49,320</u>	<u>138,598</u>
DEPRECIATION				
At 1 April 2020	40,506	-	62,588	103,094
Charge for year	7,715	-	10,096	17,811
Eliminated on disposal	<u>-</u>	<u>(7,536)</u>	<u>(34,079)</u>	<u>(41,615)</u>
At 31 March 2021	<u>48,221</u>	<u>(7,536)</u>	<u>38,605</u>	<u>79,290</u>
NET BOOK VALUE				
At 31 March 2021	<u>49,222</u>	<u>(629)</u>	<u>10,715</u>	<u>59,308</u>
At 31 March 2020	<u>56,937</u>	<u>-</u>	<u>10,606</u>	<u>67,543</u>

Project Art Works

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	6,772	9,459
Prepayments and accrued income	<u>7,629</u>	<u>3,997</u>
	<u>14,401</u>	<u>13,456</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	20,532	9,515
Social security and other taxes	7,350	6,983
Other creditors	3,607	1,984
Accruals and deferred income	<u>10,680</u>	<u>4,500</u>
	<u>42,169</u>	<u>22,982</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	17,500	17,500
Between one and five years	70,000	70,000
In more than five years	<u>85,247</u>	<u>102,747</u>
	<u>172,747</u>	<u>190,247</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets	8,656	50,652	59,308	67,543
Current assets	118,483	762,112	880,595	400,014
Current liabilities	<u>(25,211)</u>	<u>(16,958)</u>	<u>(42,169)</u>	<u>(22,982)</u>
	<u>101,928</u>	<u>795,806</u>	<u>897,734</u>	<u>444,575</u>

Project Art Works

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

17. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General Designated funds	36,332	(68,137)	74,088	42,283
Reserve	<u>40,643</u>	<u>840</u>	<u>18,162</u>	<u>59,645</u>
	76,975	(67,297)	92,250	101,928
Restricted funds				
Capital	6,833	(7,165)	6,079	5,747
Projects	140,850	161,470	76,903	379,223
National Lottery				
Arts Council - projects	66,281	3,470	(69,751)	-
Big Lottery Fund Capital Grant	63,173	304,067	(95,481)	271,759
Paul Hamlyn - projects	<u>50,463</u>	<u>(5,558)</u>	<u>-</u>	<u>44,905</u>
	<u>40,000</u>	<u>64,172</u>	<u>(10,000)</u>	<u>94,172</u>
	<u>367,600</u>	<u>520,456</u>	<u>(92,250)</u>	<u>795,806</u>
TOTAL FUNDS	<u>444,575</u>	<u>453,159</u>	<u>-</u>	<u>897,734</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Designated funds	38,586	(106,723)	(68,137)
Reserve	<u>840</u>	<u>-</u>	<u>840</u>
	39,426	(106,723)	(67,297)
Restricted funds			
Capital	-	(7,165)	(7,165)
Projects	419,334	(257,864)	161,470
National Lottery			
Arts Council - projects	44,547	(41,077)	3,470
Big Lottery Fund Capital Grant	352,869	(48,802)	304,067
Paul Hamlyn - projects	-	(5,558)	(5,558)
Arts Council - core	83,500	(19,328)	64,172
Paul Hamlyn - core	<u>152,430</u>	<u>(152,430)</u>	<u>-</u>
	<u>70,000</u>	<u>(70,000)</u>	<u>-</u>
	<u>1,122,680</u>	<u>(602,224)</u>	<u>520,456</u>
TOTAL FUNDS	<u>1,162,106</u>	<u>(708,947)</u>	<u>453,159</u>

Project Art Works

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General Designated funds	68,913	(8,310)	(24,271)	36,332
Reserve	<u>33,435</u>	<u>-</u>	<u>7,208</u>	<u>40,643</u>
	102,348	(8,310)	(17,063)	76,975
Restricted funds				
Capital	7,415	(6,849)	6,267	6,833
Projects	95,598	4,775	40,477	140,850
National Lottery				
	46,584	29,378	(9,681)	66,281
Arts Council - projects				
	286,129	(202,956)	(20,000)	63,173
Big Lottery Fund Capital Grant	56,021	(5,558)	-	50,463
Paul Hamlyn - projects	<u>-</u>	<u>40,000</u>	<u>-</u>	<u>40,000</u>
	<u>491,747</u>	<u>(141,210)</u>	<u>17,063</u>	<u>367,600</u>
TOTAL FUNDS	<u>594,095</u>	<u>(149,520)</u>	<u>-</u>	<u>444,575</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Designated funds	67,042	(75,352)	(8,310)
Restricted funds			
Capital	-	(6,849)	(6,849)
Projects	190,103	(185,328)	4,775
National Lottery			
	126,262	(96,884)	29,378
Arts Council - projects			
	-	(202,956)	(202,956)
Big Lottery Fund Capital Grant	-	(5,558)	(5,558)
Paul Hamlyn - projects	66,500	(26,500)	40,000
Arts Council - core	<u>149,676</u>	<u>(149,676)</u>	<u>-</u>
	<u>532,541</u>	<u>(673,751)</u>	<u>(141,210)</u>
TOTAL FUNDS	<u>599,583</u>	<u>(749,103)</u>	<u>(149,520)</u>

Project Art Works

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General Designated funds	68,913	(76,447)	49,817	42,283
Reserve	<u>33,435</u>	<u>840</u>	<u>25,370</u>	<u>59,645</u>
	102,348	(75,607)	75,187	101,928
Restricted funds				
Capital	7,415	(14,014)	12,346	5,747
Projects	95,598	166,245	117,380	379,223
National Lottery				
	46,584	32,848	(79,432)	-
Arts Council - projects				
	286,129	101,111	(115,481)	271,759
Big Lottery Fund Capital Grant	56,021	(11,116)	-	44,905
Paul Hamlyn - projects	<u>-</u>	<u>104,172</u>	<u>(10,000)</u>	<u>94,172</u>
	<u>491,747</u>	<u>379,246</u>	<u>(75,187)</u>	<u>795,806</u>
TOTAL FUNDS	<u>594,095</u>	<u>303,639</u>	<u>-</u>	<u>897,734</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Designated funds	105,628	(182,075)	(76,447)
Reserve	<u>840</u>	<u>-</u>	<u>840</u>
	106,468	(182,075)	(75,607)
Restricted funds			
Capital	-	(14,014)	(14,014)
Projects	609,437	(443,192)	166,245
National Lottery			
	170,809	(137,961)	32,848
Arts Council - projects			
	352,869	(251,758)	101,111
Big Lottery Fund Capital Grant	-	(11,116)	(11,116)
Paul Hamlyn - projects	150,000	(45,828)	104,172
Arts Council - core	302,106	(302,106)	-
Paul Hamlyn - core	<u>70,000</u>	<u>(70,000)</u>	<u>-</u>
	<u>1,655,221</u>	<u>(1,275,975)</u>	<u>379,246</u>
TOTAL FUNDS	<u>1,761,689</u>	<u>(1,458,050)</u>	<u>303,639</u>

Project Art Works

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

Purpose of funds

Purposes of unrestricted funds

The General Designated fund represents the amounts received by the charity designated by the trustees to cover core costs and specific ongoing projects..

The Reserve fund represents funds held as a contingency in line with the reserves policy of the charity as detailed in the Report of the Trustees. During the year £18,162 (2020 - £7,208) was added to the fund.

Purposes of restricted funds

These are projects where grant conditions have been imposed on them.

The restricted capital fund represents the net book value of tangible fixed assets used in projects. Each year an amount is transferred to or from the fund representing the movement in the net book value of tangible fixed assets which were acquired from restricted projects.

Transfers

Transfers are made between core costs and individual projects to redistribute funding in line with conditions attaching to the grants originally received.

18. EMPLOYEE BENEFIT OBLIGATIONS

Defined benefit pension contributions of £13,259 (2020 - £11,013) are recognised in the Statement of Financial activities.

These pension contributions are allocated to fund on the same basis as the gross salaries.

Included in other creditors are £2,094 (2020 - £1,725) in respect of pension contributions.

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

20. ULTIMATE CONTROLLING PARTY

The charity is controlled by its trustees.

21. COMPANY LIMITED BY GUARANTEE

Project Art Works is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Project Art Works

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	25,346	33,059
Gift aid	274	256
Grants	1,045,066	493,726
HMRC employment allowance	4,000	3,000
Other income	1,793	296
Government grants	<u>33,262</u>	<u>-</u>
	1,109,741	530,337
Other trading activities		
Fees Earned	46,279	64,660
Sale of works	<u>4,019</u>	<u>799</u>
	50,298	65,459
Investment income		
Rents received	1,800	2,913
Deposit account interest	<u>267</u>	<u>874</u>
	<u>2,067</u>	<u>3,787</u>
Total incoming resources	1,162,106	599,583
EXPENDITURE		
Other trading activities		
Participants artwork	-	228
Materials	116	-
Postage, printing & stationery	74	177
Artists fees	1,702	-
Sundry expenses	-	65
Payment fes	<u>4</u>	<u>-</u>
	1,896	470
Charitable activities		
Wages	234,965	230,100
Social security	22,351	15,979
Pensions	10,628	9,230
Artist fees	156,590	135,866
Artist planning/induction	4,723	8,487
Staff training	4,909	1,783
Production	23	303
Project evaluation	5,500	12,500
Archivist	6,416	7,929
Editing	-	2,000
Professional fees	6,077	12,590
Materials	17,974	19,171
Photography & film	1,176	1,291
Carried forward	471,332	457,229

Project Art Works

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

	2021 £	2020 £
Charitable activities		
Brought forward	471,332	457,229
Installation	780	315
Fees, submissions & art fairs	182	602
Exhibition costs	-	949
Equipment and venue hire	265	1,090
Rent, utilities & insurance	23,739	22,787
Computer & website costs	9,161	9,369
Postage & stationery	69	230
Travel & subsistence	846	29,583
Events & conferences	750	4,920
Hospitality	1,316	3,102
Health & safety regulations	9,551	2,118
Repairs	8,836	3,821
Subscriptions	877	634
Venue hire	1,023	120
Miscellaneous	4,300	1,884
Technical support	570	5,220
Specialist support	9,838	15,488
Volunteer costs	-	83
Explorers partners	33,790	71,785
Fundraising	3,870	11,895
Claremont	529	2,660
Marketing	384	4,357
Short leasehold amortisation	5,558	5,558
Fixtures & fittings depreciation	5,751	6,849
Impairment losses for tangible fixed assets	<u>2,043</u>	<u>-</u>
	595,360	662,648
Support costs		
Management		
Wages	52,963	44,575
Social security	5,298	4,415
Pensions	2,539	1,783
Rent, utilities & insurance	11,665	10,761
Telephone & internet	1,928	1,333
Postage & Stationery	4,369	3,940
Travel & subsistence	141	829
Repairs	21,445	7,592
Bank charges	160	318
Short leasehold amortisation	2,158	2,158
Fixtures & fittings depreciation	<u>4,345</u>	<u>3,781</u>
	107,011	81,485
Governance costs		
Auditors' remuneration	<u>4,680</u>	<u>4,500</u>
Total resources expended	<u>708,947</u>	<u>749,103</u>
Net income/(expenditure)	<u><u>453,159</u></u>	<u><u>(149,520)</u></u>

