

projectart works

(A Company Limited by Guarantee)

Report of the Trustees and

Audited Financial Statements for the Year Ended 31 March 2023



Images from: 'Nottingham Castle 2022' 'Lucy' Artist performance @ Towner Gallery Eastbourne within the Brewers Towner Art Gallery exhibition', 'documenta fifteen international exhibition -solar printing workshops @ Stadtmuseum, Cosmologies of care @ fridericianum'

Deeks Evans Audit Services Limited
Statutory Auditor
First Floor, West Barn
North Frith Farm, Ashes Lane, Hadlow
Tonbridge
Kent TN11 9QU

Project Art Works

Contents of the Financial Statements for the Year Ended 31 March 2023

	Page
Report of the Trustees	1 to 8
Report of the Independent Auditors	9 to 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Financial Statements	15 to 26
Detailed Statement of Financial Activities	27 to 28

**Report of the Trustees
for the Year Ended 31 March 2023**

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 2023. 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 the 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 Vision and Mission

Our vision is a society that places value on the capabilities of people with complex needs, families and support workers, and invests in stable and sustainable support and care so they can realise their potential. We believe that art can, through both its process and its final form, reflect and articulate ideas that transcend difference and reach people.

documenta fifteen - Kassel, Germany

'What immediately fascinated me about Project Art Works was the word "neurodivergent/neurodiverse" (which I didn't know in German until now) and that you have created a dignified, artistic platform or awareness for the most important topic of our humanity: to recognise that we all have diverse qualities, positive as well as negative characteristics and that divisions into "healthy", "normal" or "people with or without disabilities" are limited, constructed thought patterns. We are all human beings with different abilities, talents and above all: different ways of expressing ourselves. Society unfortunately (still!) pays far too much attention to the "outside", e.g. how someone can "articulate" themselves - especially in the art world, where many intellectuals operate and also help shape the art market.'

'Art with or by people who do not have an academic degree or even a disability belongs in many eyes in an institution, a care; is disparagingly considered "art education" or "art therapy".

You are exactly the opposite of that because your work is not care, art education or therapy, but professional support for artists and makers, for whom a (curatorial, art-savvy) mouthpiece has been missing on the art market and in the art scene.

You create awareness for the art world, it's almost pioneering work, especially since you were also able to win over gallery owners for the works of (neuro)divergent artists.' Artist review *documenta fifteen*

Our mission is to change lives through art by exploring potential and promoting works by neurodivergent artists and makers through a wide range of projects, partnerships and exhibitions. Our programmes evolve through personalised, supported studio practice and radiate out to awareness raising, long-term collaborations, and skills development with social care and cultural partners.

Support Collective - PATH workshops

'Absolutely fantastic! I couldn't have praised the process higher! I didn't know what we were going into. I went with my son; Z and I thought that the facilitator J was superb! I was very impressed once again with the level of professionalism, the way it was set up, how J presented, what he was going to be doing with us and to us, what his role was going to be and so on. It was something that Z could engage in and altogether, it was a hugely uplifting and positive experience. He was there and she had arranged for a support worker for Z, Peter but otherwise it was just Z and myself.' Parent 2023

Our work aspires to excellence in contemporary visual art and is uniquely positioned to bridge the social care and cultural sectors in ways that promote sustainable relationships and bring people with complex needs into the heart of civic and cultural life.

**Report of the Trustees
for the Year Ended 31 March 2023**

Lucy, Jack, Gabby - Phoenix Art Space, Brighton

'The show is just amazing! All three of the artists! Obviously, we've got an interest in Lucy but Jack's work is stunning too. We've spoken to Jack and said how much we like/ admire his skull drawings. Gabby's work is intricate and amazing! She was really articulate about how she finds her inspiration and all of the pieces she collects. Lucy has talked us through every picture and all of her inspiration for those, her journals as well. They are all artists, that is who they are! For all three of them to have spoken to say thank you to us as well, that was very emotional. It's just an amazing exhibition. The fact that the artists can be here to explain all of their processes as well, the quality of their output is amazing! This venue is gorgeous as well. It feels really uplifting to be here this evening and everything is displayed beautifully.'

PAW has been doing amazing work for many years. It was right they were shortlisted for the Turner Prize. PAW are underfunded like everyone else and I just wish more people could access them. They do fantastic work and they're based in Hastings. I'm part of a Trust of Special Schools in the area and I could see so many of my young people doing so well with PAW but it's about capacity. The fact that these artists are in their twenties and they're still getting that real quality support and access to something like this, that's really worthwhile.' Visitor feedback

Founded in 1997, Project Art Works collaborates with people who have complex support needs, families and circles of support. Our practice intersects art and care, responding to neurodivergence, its gifts and impacts. Challenging paradigms of inclusion, it spans direct practical and holistic support, film, events, projects and exhibitions.

Our studios provide the conditions for a broad range of autonomous and collaborative practices with neurodivergent artists, who take part on their own terms. Alongside the studios, the Support Collective brings together people who care for people with complex support needs where we share our experience and protect our rights through training, resources and advocacy.

Our practice responds to the functional and ethical structures of care, respecting self-determination and privacy whilst working towards greater visibility and understanding of neurodiversity in culture.

Project Art Works is an Arts Council England National Portfolio Organisation. Alongside neurodiverse artists and makers, the collective includes paid and unpaid caregivers who help each other to navigate and harness health and social care systems.

Our approach

From our studio base in Hastings and in temporary studio set-ups during off-site projects and workshops, we facilitate personalised creative pathways for artists and makers. The studio spaces are without hierarchy where events and happenings unfold, and artists work together in purposeful collaboration using total communication - active listening, gesture, sound, signing, and inclusive environments and attitudes.

Our 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 neurodiverse communities enrich our lives.

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 towards removing the barriers to inclusion that disable people in everyday life.

1.2 Strategic Development:

Our work is planned and developed within the strategic priorities of:

- DEEPER - through expanding best practice
- BROADER - through collaborations with art driven change agents
- BIGGER - across society through strategic communications

1.3 Key achievements 2022/2023

documenta 15 - 100 days

Project Art Works delivered exhibitions and film work across three key venues in the city of Kassel, Germany, alongside the delivery of 70 creative sessions and talks attended by over 600 people. The 2022 international art exhibition was curated by ruangrupa, a Jakarta based artist collective. They brought together 15 art collectives from across the globe to deliver exhibitions and performances based on the core idea of lumbung an Indonesian term for a communal rice barn - an economic model rooted in the principles of collectivism, resource sharing, collaboration and community. documenta fifteen was visited by over 700,000 people.

**Report of the Trustees
for the Year Ended 31 March 2023**

Individual neurodiverse artists - Talent recognised

Project Art Works championed and supported work by a number of the artist and makers who attend studios in Hastings.

Joe Goldman - *To All the Kings Who Have No Crowns* - Carl Freedman Gallery, Margate

Joe's work was exhibited as one of seventeen self-taught disabled artists chosen who, despite being skilled artists, are yet to receive the recognition they rightly deserve within contemporary art.

Neville Jermyn - *Trinity Buoy Wharf Drawing Prize*, shortlisted for 2022, London

Sperm Whale by Neville Jermyn was entered into the Trinity Buoy Wharf drawing prize, the work was exhibited and shortlisted for the Prize. Shortlisted works were toured at selected venues in the UK.

Michelle Roberts - *Humanity Outside In* Exhibition, Sotheby's, London

Old Bands by Michelle Roberts was selected to be part of the Humanity exhibition.

The exhibition organised by Outside In showcased 80 artists, who face barriers in the art world. Michelle was awarded first prize in the show by Bob and Roberta Smith and will have a solo exhibition in 2024.

Luke and Lucy - *Hasting Open*, Hastings Gallery and Museum

Luke Bebb and Lucy Jenion's works were selected to be part of the first Hastings open Exhibition. The judging panel included Ellen Prebble a Project Art Works artist and Patricia Finnegan, Artist Development Lead, Project Art Works. They were delighted to be invited to be part of this inclusive event.

Lucy, Jack, Gabby - Phoenix Art Space, Brighton

An exhibition of the practice and work of three young neurodivergent artists co-presented by Phoenix Art Space and Project Art Works. The three artists' work is united by careful and often meticulous practices of collecting, researching and reimagining.

Untitled Gallery Window – 12 Claremont, Hastings

This street front gallery window has been used to display a series of exhibitions for emerging neurodiverse artists who take part in creative activities at Project Art Works.

Capital Development and Trinity Hall

Arch 3 - We achieved our funding target to develop the Arch 3 site which currently houses our studio and main office. The building will be transformed into fully accessible studio spaces with changing places facilities.

Trinity Hall and House - we secured a loan from NESTA to purchase Trinity Hall and House. The site adjoins our existing arches and together they have huge potential to realise a creative campus providing additional studio and workshop space for more participants and the Support Collective, storage for and access to our ever-growing archive, a printmaking workshop, integrated studios and creative workspaces for local people.

Strategic objective 'Deeper' - inhouse programmes

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

Art Freedom Care

Art Freedom Care is a creative studio based programme for adults. We provide creative environments - physical and attitudinal - that are specific and personalised to the engagement needs of each individual. Highly skilled artists work 1:1 or with a group to facilitate individual pathways of creative development, freedom and purpose that reduce behaviours that challenge and generate hope and aspirational thinking in the individual and those around them.

The creative programme takes place in our studios and we collaborate with over 40 neurodivergent people every week and throughout the year. Artists and makers can come to the studio for the same session(s) each week, building a community of peers and collaborators.

Neurodivergent artists have been supported to represent themselves in a range of exhibitions, talks, and events. Co-produced applications have been made to Arts Council England for grants to support neurodiverse artists to access 'Develop your Creative Practice' funding. Successful applications have allowed individuals to explore and expand their creative journeys, supported by our artist facilitators.

The studio has hosted visits from a range of organisations nationally and internationally who wish to understand more about our work and to share best practice in order to support neurodiverse artists within their communities.

**Report of the Trustees
for the Year Ended 31 March 2023**

The Support Collective brings together people with lived experience of complex support needs, their circles of support, families, carers, support workers, PAs and representatives from health and social care. Through free training, skills development and advocacy, families and caregivers have opportunities to utilise and develop their knowledge. Over the past 12 months we have provided workshops and training that support people to move forward and plan for their future including an introduction to personal budgets, recruiting and employing personal assistants, managing staff and rotas, Positive behaviour support and Makaton. We have also worked with families in crisis or transition using PATH (Planning Alternative Tomorrows with Hope) facilitation and attended multiple reviews providing advocacy and direct support to families negotiating with statutory providers.

Art Breaks

Art Breaks is an ongoing creative programme for disabled children, their siblings and family which is funded through BBC Children in Need and a number of Trusts and Foundations. The impact on services from Covid-19 is still being felt, with reduced respite opportunities and services. The number of children and young people home schooled continues to grow as available provision is unable to meet their needs.

During 2022-23, there's been an overwhelming demand for places to access our creative workshops taking place during school holidays and Saturdays. To mitigate this, we sought additional funding and were able to extend our offer to enable all those applying to have an opportunity to attend. The studios are set up with open propositions of approaches and materials. All of the participants are encouraged to lead on their artistic involvement. The workshops are self-led with no pre-determined outcome, and individual responses are valued and respected. The project supports all members of the family who take part in this supportive creative activity.

'On entering the Art Works premises I was very taken with how interactive all staff were with their colleagues and children they were working with. S met my grandson for the first time and instantly made a positive connection with him which was lovely to observe.' Grandparent 2022

'C is at her calmest during the workshops. She seems to get a lot of peace, becomes relaxed and her anxiety is calmed. It is a lovely experience. Painting is one of a few activities that C really seems to enjoy and is able to focus on for a longer amount of time. I think she also feels a real sense of achievement when she sees her finished artwork afterwards, and I feel very proud of her.' Parent 2023

1.4 Strategic objective 'Broader' - Offsite Programme

***Illuminating the Wilderness* film**

This 40-minute film follows the investigation of a remote Scottish glen over several days and reveals the pleasures and challenges of neurodiverse responses to nature and shared experience. Shot from multiple viewpoints and cameras, the film is unscripted and reveals the subtle fluidity of roles and interactions between this unique and itinerant community away from the practical, attitudinal and social barriers that they face in their everyday lives. Moments of humour and tender consideration for each other unfold in and around the landscape and weather systems of the mountains. The remoteness, scale and indifference of the landscape provides a rare sense of freedom and belonging for everyone involved.

During 2022-23 the film was screened at several events and venues - highlights below.

Nottingham Castle

The film was paired with 25 landscape drawings from the Royal Collection attributed to Thomas Gainsborough.

Visitors: 62,109

***Radical Landscapes*, Tate Liverpool**

An exhibition of painting, installations sculptures and film which explored our connections with the landscape in playful, contemporary, and historical ways.

Visitors: 135,073

Documenta fifteen

Artwork and films were exhibited at: The Fridericianum, Stadtmuseum, Hübner-Real and *Illuminating the Wilderness* was screened in the Lumbung Cinema programme.

Prior to and during the 100 days of the exhibition, Project Art Works delivered multiple creative residencies at the Kunsthochschule Kassel.

Visitors: 738,000

**Report of the Trustees
for the Year Ended 31 March 2023**

Explorers (2021-24)

Explorers continues to build strong collaborative partnerships of cultural enablers who are working to increase the visibility and support for neurodivergent artists in contemporary visual art.

The project runs from 2021 to 2024 and the core leadership group of Project Art Works, Autograph, ActionSpace, Into Art, MK Gallery, Photoworks, Venture Arts and BALTIC Centre for Contemporary Art are working with associates and allies to catalyse change.

Partners are supporting artist residencies and developing collaborations with others, enabling them to test new approaches and engage different audiences. Encounters between neurodivergent and neurotypical audiences will:

- introduce cultural organisations to the lives led by neurominorities and their circles of support to promote understanding and more effective ways of working
- inspire organisational change so that neurominorities have more opportunities to contribute their talents, ideas and experiences.
- show exceptional work of neurodivergent artists and ensure they have a platform to articulate the specific changes organisations need to make to ensure inclusive participation and representation.
- Project Art Works will present a new film work, exhibition, and collaborative workshops in Baltic in Gateshead from Sept 2023 to March 2024.

Premier Inn - Premier Plus

Project Art Works, continues to develop a strong relationship with Premier Inn. There are now over 4,000 Premier Plus rooms with a reproduction of an original artwork from the Project Art Works studio artists produced under licence. Project Art Works and the artist's work is credited in every room where the reproductions are used.

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 borrow 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, sponsorship and donations through our most significant asset, the archive and art. It also enables us to increase awareness about our work and the people we work with in this sector. We negotiate a donation with each business, and this contributes to a more sustainable and diverse funding base.

1.5 Strategic objective 'Bigger'

Communications

Through increased profile and exhibitions, we have reached a broader range of new audiences, expanding our network and impact. We continue to adapt our website to improve accessibility. During the first quarter 2022-23 we implemented key improvements identified by neurodiverse artists.

Regular newsletters are sent to subscribers, with news items posted across the digital and social platforms. We have developed a more targeted approach to provide support and information to key stakeholders such as the Support Collective. Digital engagement has increased significantly over the last year in response to our increased profile and continues to grow.

Media attention has reinforced our national reputation as leaders within inclusion and relevance and demonstrates growing interest in neurodiversity. We have been delivered a number of seminars, talks and publications about inclusion.

2. GOVERNANCE

Two new Trustees were appointed during this year with one resignation by a neurodiverse artist/advocate board member. The board consists of 7 trustees and 2 neurodiverse artist/advocates.

3. ACHIEVEMENTS AND PERFORMANCE

During 2022-23 Project Art Works:

- Delivered 405 sessions of artistic engagement for people with complex needs across our programme.
- Delivered, 24 skill building training sessions and 24 PATH meetings and support collective on-line and in person meet-ups. Supported many families to navigate systems of support.
- 1,309 people attended seminars and presentations online and in-person to raise awareness.
- Reached over 800,000 exhibition visitors.
- Increased the profile and interest in neurodiversity and neurodiverse artists through publicity, exhibitions, and open submissions.
- Illuminating the Wilderness' film screened at mainstream venues including Nottingham Castle.
- Increased our digital reach with new audiences and information sharing across online platforms.

**Report of the Trustees
for the Year Ended 31 March 2023**

- Maintained our corporate loan activity and the licensing agreement for reproduction rights for use in Premier Plus rooms.

3.1 Major awards and Developments

- Arts Council England, National Portfolio Organisation 2023-26 awarded Project Art Works an increase of their annual award from £152,000 to £500,000.
- Paul Hamlyn Foundation, £250,000 over 4 years to support Explorers II and Core
- Esmée Fairbairn, Covid-19 Resilience funding year 3 of 4 £60,000 (£120,000 over two years 21-22) with agreement to continue funding for an additional two years at £75,000 per annum.
- The Rayne Foundation, year 3 of 3 £25,000 (£75,000 over three years to support Core)
- The National Lottery year 2 of 3 £83,000 (£250,000 over three years to support Art, Freedom, Care)

Capital development - Arches

- Arts Council England, Capital Development - agreed a grant of £750,000
- The Clothworkers Foundation - agreed a grant of £100,000
- The Foyle Foundation - agreed a grant of £50,000
- Garfield Weston - £95,000
- The Wolfson Foundation £50,000

Trinity Hall and House

- Secured a loan of £750,000 to purchase trinity hall and the adjoining house. Building capacity to deliver additional programming.

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.

4. FINANCIAL REVIEW

4.1 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:
 - a. 3 months operational costs
 - b. redundancy costs, contingency for outstanding liabilities, and professional costs
 - c. contingency for fluctuations in funding cycles.

In 2022-23 we were able contribute £7,000 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.

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.

**Report of the Trustees
for the Year Ended 31 March 2023**

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 four board meetings during the year which were also attended by key personnel.

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
M Purdey (resigned 21.7.23)
C Whistler
N L Farrington
J N Cannell
N Ewbank (appointed 7.11.22)
S E Young (appointed 7.11.22)
M-E L Sexton (appointed 16.5.23)
G L Pugh (appointed 31.7.23)

Company Secretary

W Routley

Auditors

Deeks Evans Audit Services Limited
Statutory Auditor
First Floor, West Barn
North Frith Farm, Ashes Lane, Hadlow
Tonbridge
Kent
TN11 9QU

**Report of the Trustees
for the Year Ended 31 March 2023**

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.

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 are 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 30 October 2023 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 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Audit procedures carried out to detect irregularities including fraud were as follows:

- A risk assessment in respect of the detection of irregularities including fraud addressed income, expenditure and management override in particular.
- A sample of grant applications made were substantively tested and vouched to award letters and funds received or to rejection correspondence.
- A sample of expenses were substantively tested by being vouched to supporting paperwork. Where applicable the expenses were checked to ensure that they were valid in terms of the grant conditions associated with the funding received. For large and unusual expenses the rationale of the transactions were evaluated.
- Journal entries made were reviewed and substantially were transfers between projects and core costs. A sample of such journals were tested to confirm the transfers were bona fide. For large and unusual journals the rationale of the transactions were evaluated.
- An assessment of how fraud might occur. Income is substantially received by direct payment into the bank account. Petty cash transactions are trivial. Authorisation for expenses is geared to the value of transactions. There is a hierarchy of who can sign for increasing amounts with duplicate authorisation required for high value transactions. Control accounts are maintained and reconciled monthly for debtors, cash at bank and in hand and creditors. Fixed assets registers are reviewed and checked. Observation and enquiry during the course of the audit confirmed the assessment.
- An assessment of judgements and estimates. No judgements have been incorporated in the accounts. The only estimates are for depreciation which is considered low risk.
- RI assessment of the audit teams competence and capability to identify or recognise non-compliance with laws and regulations
- Enquiry of management and those charged with governance in respect of actual and potential litigation and claims.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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

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
First Floor, West Barn
North Frith Farm, Ashes Lane, Hadlow
Tonbridge
Kent
TN11 9QU

Date: 30 October 2023

Project Art Works

Statement of Financial Activities for the Year Ended 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	45,645	1,284,981	1,330,626	807,326
Other trading activities	3	101,129	35,296	136,425	144,775
Investment income	4	<u>1,230</u>	<u>-</u>	<u>1,230</u>	<u>51</u>
Total		<u>148,004</u>	<u>1,320,277</u>	<u>1,468,281</u>	<u>952,152</u>
 EXPENDITURE ON					
Raising funds	5	15,681	-	15,681	17,073
Charitable activities	6				
Projects		<u>175,051</u>	<u>963,521</u>	<u>1,138,572</u>	<u>904,927</u>
Total		<u>190,732</u>	<u>963,521</u>	<u>1,154,253</u>	<u>922,000</u>
 NET INCOME/(EXPENDITURE)		(42,728)	356,756	314,028	30,152
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>169,596</u>	<u>758,290</u>	<u>927,886</u>	<u>897,734</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>126,868</u></u>	<u><u>1,115,046</u></u>	<u><u>1,241,914</u></u>	<u><u>927,886</u></u>

The notes form part of these financial statements

Project Art Works (Registered number: 05115045)

**Balance Sheet
31 March 2023**

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	12	792,028	53,733
CURRENT ASSETS			
Debtors	13	59,720	44,521
Cash at bank and in hand		<u>1,199,307</u>	<u>865,586</u>
		1,259,027	910,107
CREDITORS			
Amounts falling due within one year	14	(59,141)	(35,954)
NET CURRENT ASSETS		<u>1,199,886</u>	<u>874,153</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,991,914	927,886
CREDITORS			
Amounts falling due after more than one year	15	(750,000)	-
NET ASSETS		<u>1,241,914</u>	<u>927,886</u>
FUNDS	20		
Unrestricted funds		126,868	169,596
Restricted funds		<u>1,115,046</u>	<u>758,290</u>
TOTAL FUNDS		<u>1,241,914</u>	<u>927,886</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 October 2023 and were signed on its behalf by:

N Candler - Trustee

S E Young - Trustee

The notes form part of these financial statements

Project Art Works

Cash Flow Statement for the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	23	343,872	13,717
Interest paid		<u>(11,250)</u>	<u>-</u>
Net cash provided by operating activities		<u>332,622</u>	<u>13,717</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(750,131)	(14,376)
Interest received		<u>1,230</u>	<u>51</u>
Net cash used in investing activities		<u>(748,901)</u>	<u>(14,325)</u>
Cash flows from financing activities			
New loans in year		<u>750,000</u>	<u>-</u>
Net cash provided by financing activities		<u>750,000</u>	<u>-</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		333,721	(608)
Cash and cash equivalents at the beginning of the reporting period		<u>865,586</u>	<u>866,194</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,199,307</u></u>	<u><u>865,586</u></u>

The notes form part of these financial statements

Project Art Works

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

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.

Freehold property	- 2% on cost
Short leasehold	- over the lease term
Fixtures and fittings	- 50% on reducing balance

Where freehold property has not been depreciated this is because the trustees believe the current value to be reasonable.

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.

Continued...

Project Art Works

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

1. ACCOUNTING POLICIES - continued

Taxation

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

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

	2023	2022
	£	£
Donations	35,510	27,561
Gift aid	630	250
Grants	1,289,328	774,903
HMRC employment allowance	5,000	4,000
Other income	<u>158</u>	<u>612</u>
	<u>1,330,626</u>	<u>807,326</u>

continued...

Project Art Works

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

2. DONATIONS AND LEGACIES - continued

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Arts Council England	574,601	385,672
Sussex Community Foundation	3,500	-
The Rayne Foundation	25,000	25,000
The Three Guineas Trust	91,213	22,500
The Paul Hamlyn Foundation	68,750	88,738
East Sussex County Council	14,425	30,920
The Magdalen and Lasher Charity	5,000	4,500
The Bailey Thomas Foundation	3,000	-
BBC Children in Need	40,230	29,335
The Chalk Hill Trust	3,000	6,976
The National Lottery	83,500	83,000
Esmee Fairbairn Foundation	96,600	60,000
Culture Coventry Turner Prize	-	24,414
Hastings Action Zone	-	7,500
The Peter Harrison Foundation	-	4,000
Coventry City of Culture Trust	-	2,348
Calouste Gulbenkian	25,000	-
Garfield Weston Foundation	95,000	-
Other	160,509	-
	<u>1,289,328</u>	<u>774,903</u>

3. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Fees Earned	80,252	102,445
Sale of works	56,173	42,330
	<u>136,425</u>	<u>144,775</u>

4. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>1,230</u>	<u>51</u>

continued...

Project Art Works

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

5. RAISING FUNDS

Other trading activities

	2023	2022
	£	£
Participants artwork	2,269	10,577
Materials	-	46
Postage, printing & stationery	1,092	4,231
Framing	-	830
Artists & design fees	12,007	1,303
Payment fes	<u>313</u>	<u>86</u>
	<u>15,681</u>	<u>17,073</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Projects	<u>948,987</u>	<u>189,585</u>	<u>1,138,572</u>

7. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Projects	<u>153,213</u>	<u>36,372</u>	<u>189,585</u>

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

	2023	2022
	Projects £	Total activities £
Wages	100,337	64,410
Social security	11,275	6,596
Pensions	5,028	3,702
Rent, utilities & insurance	14,555	13,095
Telephone & internet	2,369	1,802
Postage & Stationery	3,670	3,813
Travel & subsistence	1,569	301
Repairs	8,896	3,885
Bank charges	549	264
Bad debts	1,650	-
Depreciation of tangible and heritage assets	3,315	14,026
Auditors' remuneration	7,380	5,640
Professional fees	17,742	-
Interest payable and similar charges	<u>11,250</u>	<u>-</u>
	<u>189,585</u>	<u>117,534</u>

continued...

Project Art Works

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

8. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Auditors' remuneration	7,380	-
Audit	-	2,820
Accountancy	-	2,820
Depreciation - owned assets	<u>11,836</u>	<u>19,951</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

10. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	388,972	328,620
Social security costs	41,871	32,255
Other pension costs	<u>19,448</u>	<u>16,676</u>
	<u>450,291</u>	<u>377,551</u>

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

	2023	2022
	<u>11</u>	<u>11</u>
Programme & Administration staff		

There was one employee whose total benefits exceeded £60,000 (2022 - None).

Key personal remuneration benefits for the year were £197,165 (2022 - £184,397).

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	47,421	759,905	807,326
Other trading activities	144,775	-	144,775
Investment income	<u>51</u>	<u>-</u>	<u>51</u>
Total	<u>192,247</u>	<u>759,905</u>	<u>952,152</u>
EXPENDITURE ON			
Raising funds	17,073	-	17,073
Charitable activities			
Projects	<u>107,506</u>	<u>797,421</u>	<u>904,927</u>
Total	<u>124,579</u>	<u>797,421</u>	<u>922,000</u>

continued...

Project Art Works

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
NET INCOME/(EXPENDITURE)	67,668	(37,516)	30,152
RECONCILIATION OF FUNDS			
Total funds brought forward	101,928	795,806	897,734
TOTAL FUNDS CARRIED FORWARD	<u>169,596</u>	<u>758,290</u>	<u>927,886</u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Fixtures and fittings £	Totals £
COST				
At 1 April 2022	-	97,443	55,531	152,974
Additions	<u>750,131</u>	<u>-</u>	<u>-</u>	<u>750,131</u>
At 31 March 2023	<u>750,131</u>	<u>97,443</u>	<u>55,531</u>	<u>903,105</u>
DEPRECIATION				
At 1 April 2022	-	55,936	43,305	99,241
Charge for year	<u>-</u>	<u>7,717</u>	<u>4,119</u>	<u>11,836</u>
At 31 March 2023	<u>-</u>	<u>63,653</u>	<u>47,424</u>	<u>111,077</u>
NET BOOK VALUE				
At 31 March 2023	<u>750,131</u>	<u>33,790</u>	<u>8,107</u>	<u>792,028</u>
At 31 March 2022	<u>-</u>	<u>41,507</u>	<u>12,226</u>	<u>53,733</u>

Included in cost or valuation of land and buildings is freehold land of £750,131 which is not depreciated.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	44,643	40,565
Prepayments and accrued income	<u>15,077</u>	<u>3,956</u>
	<u>59,720</u>	<u>44,521</u>

continued...

Project Art Works

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

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	39,606	16,771
Social security and other taxes	5,746	9,279
Other creditors	7,489	1,309
Accruals and deferred income	<u>6,300</u>	<u>8,595</u>
	<u>59,141</u>	<u>35,954</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Other loans (see note 16)	<u>750,000</u>	<u>-</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>295,723</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	<u>454,277</u>	<u>-</u>

17. LEASING AGREEMENTS

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

	2023	2022
	£	£
Within one year	17,500	17,500
Between one and five years	70,000	70,000
In more than five years	<u>50,247</u>	<u>67,747</u>
	<u>137,747</u>	<u>155,247</u>

18. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Other loans	<u>750,000</u>	<u>-</u>

Nesta Arts & Culture Impact LLP have a fixed and floating charge over the freehold property.

continued...

Project Art Works

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

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Fixed assets	755,281	36,747	792,028	53,733
Current assets	127,886	1,131,141	1,259,027	910,107
Current liabilities	(6,299)	(52,842)	(59,141)	(35,954)
Long term liabilities	(750,000)	-	(750,000)	-
	<u>126,868</u>	<u>1,115,046</u>	<u>1,241,914</u>	<u>927,886</u>

20. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General Designated funds	84,565	(44,640)	(7,090)	32,835
Reserve	<u>85,031</u>	<u>1,912</u>	<u>7,090</u>	<u>94,033</u>
	169,596	(42,728)	-	126,868
Restricted funds				
Capital	5,921	3,286	110,793	120,000
Projects	416,389	162,493	22,616	601,498
National Lottery	50,000	77,942	(93,150)	34,792
Arts Council - projects	34,583	195,524	66,149	296,256
Big Lottery Fund Capital Grant	7,987	-	(7,987)	-
Paul Hamlyn - projects	157,349	32,500	(157,349)	32,500
Arts Council - core	39,348	(144,989)	105,641	-
Paul Hamlyn - core	<u>46,713</u>	<u>30,000</u>	<u>(46,713)</u>	<u>30,000</u>
	<u>758,290</u>	<u>356,756</u>	<u>-</u>	<u>1,115,046</u>
TOTAL FUNDS	<u>927,886</u>	<u>314,028</u>	<u>-</u>	<u>1,241,914</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Designated funds	146,092	(190,732)	(44,640)
Reserve	<u>1,912</u>	<u>-</u>	<u>1,912</u>
	148,004	(190,732)	(42,728)
Restricted funds			
Capital	6,250	(2,964)	3,286
Projects	592,673	(430,180)	162,493
National Lottery	83,500	(5,558)	77,942
Arts Council - projects	422,924	(227,400)	195,524
Paul Hamlyn - projects	32,500	-	32,500
Arts Council - core	152,430	(297,419)	(144,989)
Paul Hamlyn - core	<u>30,000</u>	<u>-</u>	<u>30,000</u>
	<u>1,320,277</u>	<u>(963,521)</u>	<u>356,756</u>
TOTAL FUNDS	<u>1,468,281</u>	<u>(1,154,253)</u>	<u>314,028</u>

continued...

Project Art Works

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

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General Designated funds	42,283	52,535	(10,253)	84,565
Reserve	<u>59,645</u>	<u>15,133</u>	<u>10,253</u>	<u>85,031</u>
	101,928	67,668	-	169,596
Restricted funds				
Capital	5,747	(5,926)	6,100	5,921
Projects	379,223	(6,881)	44,047	416,389
National Lottery	-	34,583	15,417	50,000
Arts Council - projects	271,759	(54,263)	(182,913)	34,583
Big Lottery Fund Capital Grant	44,905	(5,557)	(31,361)	7,987
Paul Hamlyn - projects	94,172	(36,185)	99,362	157,349
Arts Council - core	-	(13,287)	52,635	39,348
Paul Hamlyn - core	<u>-</u>	<u>50,000</u>	<u>(3,287)</u>	<u>46,713</u>
	<u>795,806</u>	<u>(37,516)</u>	<u>-</u>	<u>758,290</u>
TOTAL FUNDS	<u>897,734</u>	<u>30,152</u>	<u>-</u>	<u>927,886</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	177,114	(124,579)	52,535
Reserve	<u>15,133</u>	<u>-</u>	<u>15,133</u>
	192,247	(124,579)	67,668
Restricted funds			
Capital	-	(5,926)	(5,926)
Projects	256,232	(263,113)	(6,881)
National Lottery	83,000	(48,417)	34,583
Arts Council - projects	370,672	(424,935)	(54,263)
Big Lottery Fund Capital Grant	1	(5,558)	(5,557)
Paul Hamlyn - projects	-	(36,185)	(36,185)
Arts Council - core	-	(13,287)	(13,287)
Paul Hamlyn - core	<u>50,000</u>	<u>-</u>	<u>50,000</u>
	<u>759,905</u>	<u>(797,421)</u>	<u>(37,516)</u>
TOTAL FUNDS	<u>952,152</u>	<u>(922,000)</u>	<u>30,152</u>

continued...

Project Art Works

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

20. MOVEMENT IN FUNDS - continued

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

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General Designated funds	42,283	7,895	(17,343)	32,835
Reserve	<u>59,645</u>	<u>17,045</u>	<u>17,343</u>	<u>94,033</u>
	101,928	24,940	-	126,868
Restricted funds				
Capital	5,747	(2,640)	116,893	120,000
Projects	379,223	155,612	66,663	601,498
National Lottery	-	112,525	(77,733)	34,792
Arts Council - projects	271,759	141,261	(116,764)	296,256
Big Lottery Fund Capital Grant	44,905	(5,557)	(39,348)	-
Paul Hamlyn - projects	94,172	(3,685)	(57,987)	32,500
Arts Council - core	-	(158,276)	158,276	-
Paul Hamlyn - core	<u>-</u>	<u>80,000</u>	<u>(50,000)</u>	<u>30,000</u>
	<u>795,806</u>	<u>319,240</u>	<u>-</u>	<u>1,115,046</u>
TOTAL FUNDS	<u>897,734</u>	<u>344,180</u>	<u>-</u>	<u>1,241,914</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	323,206	(315,311)	7,895
Reserve	<u>17,045</u>	<u>-</u>	<u>17,045</u>
	340,251	(315,311)	24,940
Restricted funds			
Capital	6,250	(8,890)	(2,640)
Projects	848,905	(693,293)	155,612
National Lottery	166,500	(53,975)	112,525
Arts Council - projects	793,596	(652,335)	141,261
Big Lottery Fund Capital Grant	1	(5,558)	(5,557)
Paul Hamlyn - projects	32,500	(36,185)	(3,685)
Arts Council - core	152,430	(310,706)	(158,276)
Paul Hamlyn - core	<u>80,000</u>	<u>-</u>	<u>80,000</u>
	<u>2,080,182</u>	<u>(1,760,942)</u>	<u>319,240</u>
TOTAL FUNDS	<u>2,420,433</u>	<u>(2,076,253)</u>	<u>344,180</u>

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.

continued...

Project Art Works

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

20. MOVEMENT IN FUNDS - continued

Purpose of funds - continued

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.

21. EMPLOYEE BENEFIT OBLIGATIONS

Defined benefit pension contributions of £19,449 (2022 - £16,429) 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 is £3,214 (2022 - £Nil) in respect of pension contributions.

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

23. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	314,028	30,152
Adjustments for:		
Depreciation charges	11,837	19,952
Interest received	(1,230)	(51)
Interest paid	11,250	-
Increase in debtors	(15,200)	(30,121)
Increase/(decrease) in creditors	<u>23,187</u>	<u>(6,215)</u>
Net cash provided by operations	<u><u>343,872</u></u>	<u><u>13,717</u></u>

24. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank and in hand	<u>865,586</u>	<u>333,721</u>	<u>1,199,307</u>
	<u>865,586</u>	<u>333,721</u>	<u>1,199,307</u>
Debt			
Debts falling due after 1 year	<u>-</u>	<u>(750,000)</u>	<u>(750,000)</u>
	<u>-</u>	<u>(750,000)</u>	<u>(750,000)</u>
Total	<u><u>865,586</u></u>	<u><u>(416,279)</u></u>	<u><u>449,307</u></u>

continued...

Project Art Works

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

25. ULTIMATE CONTROLLING PARTY

The charity is controlled by its trustees.

26. 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 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	35,510	27,561
Gift aid	630	250
Grants	1,289,328	774,903
HMRC employment allowance	5,000	4,000
Other income	<u>158</u>	<u>612</u>
	1,330,626	807,326
Other trading activities		
Fees Earned	80,252	102,445
Sale of works	<u>56,173</u>	<u>42,330</u>
	136,425	144,775
Investment income		
Deposit account interest	<u>1,230</u>	<u>51</u>
Total incoming resources	1,468,281	952,152
EXPENDITURE		
Other trading activities		
Participants artwork	2,269	10,577
Materials	-	46
Postage, printing & stationery	1,092	4,231
Framing	-	830
Artists & design fees	12,007	1,303
Payment fes	<u>313</u>	<u>86</u>
	15,681	17,073
Charitable activities		
Wages	288,635	264,210
Social security	30,596	25,659
Pensions	14,420	12,974
Artist fees	191,168	194,145
Artist planning/induction	7,033	8,688
Staff training	5,818	3,724
Project evaluation	16,540	4,000
Archivist	11,040	15,633
Editing	1,705	-
Professional fees	35,102	75,836
Materials	21,547	25,796
Photography & film	616	1,130
Installation	-	4,550
Fees, submissions & art fairs	395	353
Exhibition costs	1,342	6,761
Equipment and venue hire	1,325	3,376
Rent, utilities & insurance	33,406	26,682
Computer & website costs	12,479	8,359
Carried forward	673,167	681,876

Project Art Works

Detailed Statement of Financial Activities for the Year Ended 31 March 2023

	2023 £	2022 £
Charitable activities		
Brought forward	673,167	681,876
Postage & stationery	214	186
Travel & subsistence	54,975	43,882
Events & conferences	4,449	-
Hospitality	3,579	3,345
Health & safety regulations	4,397	11,597
Repairs	34,668	3,855
Subscriptions	1,730	733
Venue hire	130	-
Miscellaneous	5,223	-
Technical support	3,580	13,610
Specialist support	5,530	5,220
Explorers partners	144,315	5,000
Fundraising	3,300	12,000
Claremont	-	38
Marketing	1,208	125
Short leasehold amortisation	5,558	-
Fixtures & fittings depreciation	<u>2,964</u>	<u>5,926</u>
	948,987	787,393
Support costs		
Management		
Wages	100,337	64,410
Social security	11,275	6,596
Pensions	5,028	3,702
Rent, utilities & insurance	14,555	13,095
Telephone & internet	2,369	1,802
Postage & Stationery	3,670	3,813
Travel & subsistence	1,569	301
Repairs	8,896	3,885
Bank charges	549	264
Bad debts	1,650	-
Depreciation of tangible and heritage assets	<u>3,315</u>	<u>14,026</u>
	153,213	111,894
Governance costs		
Auditors' remuneration	7,380	5,640
Professional fees	17,742	-
Bank loan interest	<u>11,250</u>	<u>-</u>
	<u>36,372</u>	<u>5,640</u>
Total resources expended	<u>1,154,253</u>	<u>922,000</u>
Net income	<u><u>314,028</u></u>	<u><u>30,152</u></u>