



TRUSTEES' REPORT AND ACCOUNTS

**FOR THE YEAR ENDED
31st MARCH 2024**

Charity Number 01105759

Company Number 04961363

The Koestler Trust
Trustees' Report for the year ended March 31st, 2024

THE KOESTLER TRUST
REPORT AND ACCOUNTS

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TRUSTEES' REPORT

The Trustees, who are also directors of the Company for the purposes of the Companies Act, and trustees for charity law purposes, present their combined directors' and trustees' annual report with the financial statements of the Charity for the year ended 31st March 2024. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 and comply with the Charity's governing document, applicable law and the requirements of the Statements of Recommended Practice (FRS 102). The Company has taken advantage of the exemptions available to smaller entities.

LEGAL AND ADMINISTRATIVE DETAILS OF THE CHARITY

Charity number:	1105759
Company limited by guarantee number:	4961363
Principal and Registered address:	Koestler Arts Centre, 170 Du Cane Road, London W12 0TX
Telephone:	020 8740 0333
Email:	info@koestlerarts.org.uk
Website:	www.koestlerarts.org.uk
Auditors:	Knox Cropper LLP, 65 Leadenhall Street, London EC3A 2AD

Trustees and Company Directors:

Sir Richard Heaton KCB (Chair)
Andrea Rose (Vice Chair and Chair of the Arts sub-committee)
Sally Bacon OBE (from 28 September 2023)
Gary Badley
Ariane Bankes (to 26 March 2024)
Jasmin Booth (Treasurer and Chair of the Finance and HR sub-committee)
Tom Campbell (Chair of the Koestler House sub-committee)
Carl Hardwick
Dr Nora Laraki
Gary Mansfield (Chair of the Outreach and Involvement sub-committee)
Page Nyame Satterthwaite
Carrie Peters (from 29 June 2023)
Nicola Solomons (to 19 May 2023)

Company Secretary and Chief Executive Officer:

Fiona Curran (Interim Chief Executive from 1 April 2023, Chief Executive from 1 June 2023)

Honorary President:

Ariane Bankes (from 28 March 2024)

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STRUCTURE, GOVERNANCE AND MANAGEMENT

The Koestler Trust (working name Koestler Arts) is governed by its Memorandum and Articles. Updated Articles of Association were adopted by special resolution passed on 14 December 2022.

The Board of Trustees met four times during the year and the Annual General Meeting was held on 13 December 2023.

The Board has four sub-committees, each of which provides oversight of specific aspects of the charity's work:

- The **Finance and HR sub-committee** is chaired by the Treasurer and includes the Chair, Vice Chair, Chief Executive, Finance Manager and Development Director. It met on four occasions by Zoom during the year, scrutinising the finances and HR.
- The **Outreach and Involvement sub-committee** is chaired by Gary Mansfield and serviced by Sarah Matheve, Director of Outreach and Involvement. It oversees the mentoring programme and all other ways that the Charity engages with its beneficiaries, including work experience placements at the Koestler Arts Centre, family days and outreach visits to establishments. The group includes service-users and representatives from partner agencies.
- The **Arts sub-committee** is chaired by the Vice Chair and serviced by Phoebe Dunn, Director of Arts. It oversees the Koestler Awards process, exhibitions and sales. This group also includes award-winners, Koestler Awards judges, and prison art tutors.
- The **Koestler House sub-committee** is chaired by Tom Campbell and is serviced by the Chief Executive. The group provides oversight and guidance for the new Koestler Arts Centre construction project and building maintenance.

Staff management is underpinned by Support and Supervision meetings, where each member of staff meets one-to-one with their line manager every 4-6 weeks. The outcomes of these meetings are recorded in writing. Team meetings are held every three weeks. The Chief Executive's Support and Supervision is provided by the Chair of Trustees. Pro-bono HR support is provided by Ingeus.

RISK AND INTERNAL CONTROL

An overall risk assessment is reported annually to the Board of Trustees. This addresses specific aspects of infrastructure and activity, including data protection, health and safety, human resources, environmental impact and office fabric and equipment. Each of these areas is the responsibility of a designated member of staff, who reports regularly to the team meeting.

CHARITY OVERVIEW

The Koestler Trust, which uses the working name 'Koestler Arts,' was established in 1962. Our vision is that the power of the arts unlocks hope, talent and potential in the lives of people in the criminal justice system.

Our mission is to inspire participation in the arts by people in prisons and beyond, and to build public recognition of their creative work, fostering communities that support rehabilitation.

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We achieve our mission by working towards three goals:

- To motivate and support people in custody and on community sentences, including probation, to participate in the arts, ensuring that the educational, social and wellbeing benefits of the arts are accessible to everyone.
- To share this creativity with communities across the UK through dynamic public programmes, enabling everyone to experience this powerful work and the hidden stories of change within the criminal justice system.
- To maintain a sustainable operational base, with strong partnerships and effective income streams, that make efficient use of resources.

We work with every prison and medium and high secure hospital in the UK, as well as young offender institutions, secure children's homes, immigration removal centres, youth offending teams and probation services. We are unique in our nationwide reach — motivating people in Northern Ireland, Scotland, Wales and England, as well as British people who are imprisoned abroad, to participate in the arts. As well as our core programme, the annual Koestler Awards, we offer the only arts membership scheme for prisoners and the only multi-artform, arts mentoring for prison-leavers in England and Wales. Our programmes are open to anyone who is in custody or is supervised in the community, whether they are engaged with prison education classes or not. Our exhibitions and events around the UK, online showcasing, and publications offer opportunities for members of the public to see beyond the prison walls and experience this rich and diverse creativity. This helps build communities that are more likely to support resettlement and rehabilitation.

The charity's small, dedicated team is based at our office next to HM Prison Wormwood Scrubs in London. From here we deliver programmes across the UK and online, while raising the funds each year to enable our important work to continue.

CHARITABLE OBJECTS

As registered with the Charity Commission, the Charity's charitable objects are: 'for the advancement of the arts and education and for purposes beneficial to the community: a) to promote the creative enterprise of inmates and former inmates of prisons, young offender institutions, secure units and any other establishment for the lawful detention of individuals including patients and former patients in high security psychiatric and other hospital units in the United Kingdom ("the institution") and those subject to non-custodial orders in the United Kingdom and persons subjected to similar regimes outside the United Kingdom in the fields of the visual and performing arts, sciences, crafts or trades by the provision of awards to such persons and groups of persons for meritorious work and the exhibition of their work; and b) to institute or support worthwhile artistic or creative projects at any of the institutions which aim to stimulate the education or skills of such persons and to assist in their rehabilitation and resettlement in society.'

The Trustees refer to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to our vision and mission.

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ACTIVITIES AND ACHIEVEMENTS 2023-24

A year of change



The new Koestler Arts Centre on the grounds of HM Prison Wormwood Scrubs, London.

In January 2024 the charity moved into the new Koestler Arts Centre. This bright, welcoming building was constructed from used shipping containers by Container City and increases our ability to respond to creative work sent to us from across the UK. There was no gap in our service provision while we moved in: the 2023 entries were returned from the old building and the 2024 Koestler Awards entries were received into the new building. We are planning new ways to make our building work for us, including hosting corporate partners for volunteering days, supporter events and public displays. Most importantly, the arts processing area makes for a more efficient space to respond to thousands of artworks. The team is grateful to past staff, committee members and the many people who gave their advice and time during this transformative project.

Special thanks are due to: Arts Council England, Paul Hamlyn Foundation, HMPPS, The Clothworkers' Foundation, The 29th May 1961 Charitable Trust, Garfield Weston Foundation, Bernard Sunley Foundation, The Mila Charitable Organisation, Tudor Trust, Artists' Collecting Society (ACS), The Murray family, Patrick Holmes, Sally Zimmermann, David Banks, Ariane Banks, Marie Golding, John and Carol Wates and The de Laszlo Foundation.

In June 2023, after an open recruitment process, Fiona Curran was appointed Chief Executive. Fiona has been part of our management team since 2009, leading our showcasing programmes and the Koestler Awards process. Throughout 2023-24, Fiona has led the trustees and staff in considering participant and other stakeholder feedback, developing new ideas and assessing opportunities and challenges, towards building a new five-year strategic plan.

We worked with Splitpixel Ltd to launch a new website this year. The new site makes it easier for entrants, the public and supporters to get involved and access artistic

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inspiration. Entrants and other audiences can now view video tips from Awards judges; 'Art Aid' entrant-produced activity resources; galleries of award-winning entries; and past entrants' inspirational stories of change. Prisons as far away as Columbia have let us know that they have used resources from the new site.

There were several other staff and board changes during the year, including a new Development Director, Stephanie Weber, and a new Director of Arts, Phoebe Dunn, joining the management team. We welcomed volunteers as Koestler Awards judges and feedback-writers, and to help us process artwork through the annual cycle.

Inspiring Futures, An Evaluation of the Meaning and Impact of Arts Programmes in Criminal Justice Settings, research led by the National Criminal Justice Arts Alliance and the University of Cambridge, of which we were a partner, was launched in March 24. The report examines the impact of the arts in prisons, over several years and artforms, on participants, staff and the public. The outcomes reinforce what our participants, mentees and the professionals working with them tell us:

'many of the men and women who took part spoke of how the programmes brought personal, social and creative benefits to their present lives and inspired new ways of envisioning their futures.'

(Inspiring Futures, An Evaluation of the Meaning and Impact of Arts Programmes in Criminal Justice Settings, Lanskey, Doxat-Pratt, Gelsthorpe, University of Cambridge, 2024, p98)

Inspiring participation in the arts by people in prisons and beyond



Entries to the Koestler Awards being processed and given feedback by volunteers

3,957 people (29% increase on 2022) entered the 2023 Koestler Awards, submitting 8,165 pieces of writing, craft, fine art, design and music. 316 criminal justice settings participated. 1,698 people took part for the first time. We annually survey our entrants to hear their views on our work and to learn more about the impact participating in the Koestler Awards and our other programmes makes:

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- 85% of respondents told us that the Koestler Awards improved their self-confidence.
- 66% said participating improved their relationships with establishment staff.
- 63% said participating improved their relationships with family.

Koestler Arts provides people in custody with one of the only ways of interacting with the outside world. The most common reasons respondents to our survey gave for entering the Koestler Awards were to 'get feedback (63%)' and 'to get my work seen (48%).'

In 2023-24 over £30,000 was allocated in prize money to Koestler Awards entrants by 76 awards judges, including Jeremy Deller, Coco Sato, Jenny Éclair, Misan Harriman, Hot Chip, and previous Koestler Awards entrants and mentees. Access Stipends totalling £3,750 were distributed across the judging panels to ensure that our awards judges came from a range of backgrounds, including people with lived experience of prison (19%).

Despite the increase in entry numbers, we were able to send more participants written feedback from our staff, volunteers, awards judges and the public than the previous year – with 88% receiving at least one piece. This is particularly important as our entrants tell us that receiving feedback is one of the most impactful parts of participating in the Koestler Awards.

'It gave me confidence in myself and my work. I found it very personal and such a caring touch.'

Entrant's comment on receiving feedback on his/her work

Fifteen establishment visits were delivered during the year, several of them by someone who has experience of imprisonment. These visits help recognise the achievements of existing participants and encourage people to engage with our programmes for the first time. 35 prison and hospital art tutors attended our Art Tutors' Seminar in November at Southbank Centre. As well as offering educators an opportunity to exchange learning and ideas, it was a chance for us to discuss plans for the new strategy, including ways in which we could digitalise more of the Koestler Awards process.

Over 750 'Associates' were actively engaged in our free membership programme for people in prisons and beyond during the year. Our Associates were offered the chance to engage in two creative challenges. One challenge was to design bookmarks to be sent with copies of our new poetry anthology as a thank-you to its crowdfunding supporters. The other was to create a postcard for our 'Postcards from Prisons' fundraising lottery event, which offered supporters an artwork by a Koestler Awards participant or a professional artist (including Grayson Perry RA, Haroon Mirza, Jeremy Deller and Vanessa Jackson RA). We plan to offer our Associates the opportunity to participate in three further creative tasks in 2024-25, one of which is made possible by an individual's generous support.

We provided mentoring for 23 people this year, supporting them to continue in the arts after release from prison. Over 231 mentees have now benefited from this unique, bespoke programme across England and Wales. As Koestler Arts Mentoring approaches 20 years of delivery, we are welcoming former mentees back as mentors, eager to share their experiences and guide a new generation.

We sold over 200 original artworks this year, online and at our Pop-Up Shop, with income going to participants, motivating them to keep creating, to Koestler Arts and Victim Support. The works also found homes in offices and houses around the country – each piece an ambassador for the good that can come out of positive activity in the criminal justice system.

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Fostering communities that support rehabilitation



Standing on the Edge at the John Hansard Gallery, Southampton

This year we produced two exhibitions, two poetry events, a theatre event, and a new poetry anthology. We also presented work by mentees and past participants at the Affordable Art Fair and Chiswick Book Fair.

In July, our team worked with ten men at HM Prison Isle of Wight to co-curate our first exhibition of work from the South West and Hampshire, held in partnership with the John Hansard Gallery in Southampton. The learners took part in four days of curating sessions, considering all entries to the Koestler Awards from the area. Their beautiful exhibition, which they titled *Standing on the Edge*, ran from October 2023 to January 2024.

Joelle Taylor, a T.S. Eliot Award-winning poet, selected work from across the UK for our annual exhibition, which she titled *IN CASE OF EMERGENCY*. The show was held at the Southbank Centre from November to December 2023. Joelle's selection included around 180 pieces of music, writing, and visual art. The exhibition was opened by the then Minister of State for Prisons, the Rt Hon Damian Hinds MP and later visited by his successor in that post, the Rt Hon Edward Argar MP.

Over 15,000 people visited these shows in person, with more than 5,500 vote/feedback cards completed. Thousands more people engaged with Koestler Awards artwork through our vibrant social media output and our new website, which featured exhibition films and image galleries.

'Very impressive. Just shows what people are capable of achieving when given some help.'

'Gives people a voice that were not being listened to – but we now hear and see them.'

Exhibition visitors

We held three Friends & Family Days during our UK exhibition at Southbank Centre, and one at the regional exhibition in Southampton. Participating artists' friends and family members were supported to attend the events with tours, activities, delicious catering,

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and help with travel costs. These annual events are a chance to celebrate the positive achievements of loved ones and to enjoy inspiring art together with others.

'Today has meant a lot. To have my son's music played at an exhibition has made me so proud. I hope that having this experience, and being recognised and rewarded for something he loves doing, will give my son the inspiration and drive he needs to stay out of prison and have a successful life ahead.'

Friends & Family Day attendee

Two people with lived experience of prison led the delivery of our free public exhibition tours at the Southbank Centre, giving visitors more information about the artwork and the arts in the criminal justice system.

Our team also produced a beautiful anthology of poetry that was entered into the Koestler Awards in 2022 and 2023. Copies of the book were sent to every prison library and sold at exhibitions and online. We partnered with Synergy Theatre Project to present stage plays from the 2023 Awards at the Royal Court Theatre and our sell-out spoken word and poetry event, *Voices from Prison*, took place at the Southbank Centre in November.

In 2024-25, we will make the final payments on our new building and complete the fit-out of the new space. We will roll out a new fundraising database and further develop our new Patrons Programme. Our team will aim to build partnerships with business supporters and use our new building to increase the number of public and corporate volunteering days. We look forward to producing two exhibitions: a UK showcase curated by artists Jeremy Deller and John Costi (who is a past Koestler Award-winner) at Southbank Centre, London and a North East of England showcase at Baltic, Gateshead, curated by women in HM Prison Low Newton.

FINANCIAL REVIEW

Our consolidated income in 2023-24 was £813,554. Despite high inflation, we were able to make efficiencies this year by reducing print and exhibition furniture production, securing in-kind and pro-bono support, and maintaining strong partnerships. These changes, as well as pausing some staff recruitment while the new Chief Executive worked on our strategy, and the completion of our capital project, made both our income and our expenditure lower than in recent years. We ended the year with a small, manageable deficit.

Our largest supporter was again Paul Hamlyn Foundation, with their 2023-24 grant providing an invaluable foundation for the team's fundraising efforts to build upon. Government funding remained at a similar level to previous years. We were pleased to be part of the Arts Council England National Portfolio again through a new agreement for the period 2023-2026, with a grant of £76,380 per year. We also entered into another three-year agreement with HMPPS. Our trustees and leadership team observe that standstill funding levels present a growing challenge for the Charity, as our costs continue to increase.

Trust and foundations remain the largest source of our income. However, like many charities, we are finding this funding increasingly difficult to secure. In this context, we are particularly grateful to our Scholarship funders, William Arthur Rudd Memorial Trust and Maingot Charitable Trust, for increasing their ongoing support, and to the Bromley Trust for the last donation of their 2022-24 Scholarship grant. The Marie-Louise von Motesiczky Charitable Trust, a longstanding supporter, funded new Scholarships in 2023-24 and agreed funding till 2027-28. We are honoured to count on the endorsement and legacy

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of these foundations, giving more prison-leavers the opportunity to find new beginnings through the arts. In this financial year, we were also grateful to receive support from the Monday Charitable Trust, AB Charitable Trust, Leon Kossoff Estate, T.S. Eliot Foundation, Taurus Foundation, Valentine Charitable Trust, and several smaller grants by foundations and art societies — all incredibly impactful in this difficult funding landscape.

In terms of corporate support, we were delighted to again count on ongoing partnerships with Sodexo, Serco, Elysium and CCLA Investment Management. We were pleased to again receive a donation from Doughty Street Chambers, as one of their donations committee's selected charities.

It was encouraging to see strong levels of donations from supporters, despite the cost-of-living crisis. The team has built longstanding relationships with many individuals who ensured the success of our fundraising projects in 2023-24, including the Postcards from Prison event, anthology crowdfunder, and the named Koestler Awards. In the autumn, we auctioned a drawing generously donated by Sir Antony Gormley, the curator of our UK exhibition in 2017.

Legacies and major donations from individuals are not, to date, a regular or predictable income source for Koestler Arts. We are working hard to develop this area, but in the meantime, we are thankful to a small number of major donors who made generous contributions, as well as to the estates of John Gray and Olga Martin for legacy gifts received in 2023-24.

Finally, Koestler Arts was proud to be selected as a charity partner for both the 2023 Affordable Art Fair in Hampstead and the Chiswick Book Festival. Both organisations made donations from the proceeds of ticket sales. Members of the staff team, trustees and volunteers worked together at these events to reach new supporters and spread the word about the charity's work and impact.

We are proud to be a Living Wage Employer.

RESERVES

The Charity has no permanent endowment. It must raise money on an ongoing basis. The Trustees' policy is to have reserves of unrestricted funds for the total costs of running the Charity for at least three months ahead. At the year end, the Charity had free reserves of £254,883 with the unrestricted reserve of £520,229. This level of reserves includes funds for final payments and set up of the new building.

FUNDRAISING PRACTICES

All fundraising for Koestler Arts is undertaken by the staff team, led by the Chief Executive and Development Director. No professional fundraisers or commercial participators carry out any fundraising activities on our behalf. Donor data is maintained on a secure database, and staff have undertaken training in the requirements of GDPR legislation.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the annual report and the financial statement in accordance with applicable law and United Kingdom generally accepted accounting practice. Company law requires the Trustees to prepare financial statements for each

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financial year which give a true and fair view of the state of affairs of the Charity and of the net income or expenditure of the Charity for the year. In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees, who are Directors for the purpose of company law and Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

In accordance with company law, as the Company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- as directors of the company, we have taken all the steps that we ought to have taken 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.

During the year, the Charity has moved its operations into a brand new up-cycled building at HM Prison Wormwood Scrubs, a move which symbolises so much of what the Charity is about: sunlight, renewal and creativity. This year we have also weathered a period of financial challenges caused by high inflation against flat or declining income streams. On behalf of all the Trustees, I would like to thank our dedicated staff team, led by our Chief Executive Fiona Curran, for whom this eventful and challenging year was her first in post. Under Fiona's leadership, we have also started to put in place an ambitious strategic framework, with clarity on our goals, better and more effective delivery, and a determination to reach all cohorts who are detained or under supervision. I would like to thank my fellow Trustees too, and everyone else who has volunteered to help us during the year.

We remain a remarkable arts organisation and a force for rehabilitation and positive change. It is a privilege to be able to lend to our participants a public platform, a display cabinet, or an exhibition wall.

Approved by the Trustees and signed on their behalf by:

Richard Heaton

Sir Richard Heaton KCB
Chair of Trustees

18 December 2024

DATE _____

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Independent Auditor's Report To The Members Of

The Koestler Trust For the year ended 31 March 2024

Opinion

We have audited the financial statements of The Koestler Trust (the 'parent company') and its subsidiary ('the group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2024 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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.

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Independent Auditor's Report To The Members Of

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(Continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report .

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement in the Trustees' Report, 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 group's and parent 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 group or parent company or to cease operations, or have no realistic alternative but to do so.

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Independent Auditor's Report To The Members Of

The Koestler Trust For the year ended 31 March 2024

(Continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2019), in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) applicable to smaller entities and the Companies Act 2006.
- We understood how the charitable company is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures. The charitable company is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override and allocation of costs to charitable activities and restricted funds.
- Our approach was to check that the income from grants and donations were properly identified and accurately disclosed, that expenditure complied with the control procedures and was appropriately charged. We also reviewed the transactions with the subsidiary company, major journal adjustments along with unusual transactions and considered the identification and disclosure of related party transactions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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Independent Auditor's Report To The Members Of
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(Continued)

Use of our report

This report is made solely to the parent 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 parent company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the parent company's members as a body, for our audit work, for this report or for the opinions we have formed.



Shoaib Arshad (Senior Statutory Auditor)

For and on behalf of:

Knox Cropper LLP

Chartered Accountants & Statutory Auditors

65 Leadenhall Street

London

EC3A 2AD

19 December 2024

Registered company no. 04961363

The Koestler Trust
Consolidated Statement of Financial Activities
(incorporating the Income and Expenditure Account)
For the year ended 31 March 2024

	Note	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies					
for charitable activities	2	664,161	46,265	710,426	907,028
for capital development	2	-	46,942	46,942	490,268
Other trading activities	4	49,486	-	49,486	37,048
Investments	5	6,700	-	6,700	2,370
TOTAL		720,347	93,207	813,554	1,436,714
EXPENDITURE ON:					
Raising funds					
Costs of generating voluntary income		104,656	-	104,656	136,057
Charitable activities		647,403	97,089	744,492	859,876
TOTAL EXPENDITURE	6	752,059	97,089	849,148	995,933
NET MOVEMENT IN FUNDS		(31,712)	(3,882)	(35,594)	440,781
RECONCILIATION OF FUNDS:					
TOTAL FUNDS AT 1 APRIL 2023		556,497	1,321,527	1,878,024	1,437,243
TOTAL FUNDS AT 31 MARCH 2024		£ 524,785	£ 1,317,645	£ 1,842,430	£ 1,878,024

All income and expenditure has arisen from continuing activities. None of the Charity's activities were acquired or discontinued during the above two financial years.

The Koestler Trust
(company limited by guarantee) (registered company no. 04961363)
Consolidated Balance Sheet
As at 31 March 2024

	Notes	Charity 2024 £	Group 2024 £	Charity 2023 £	Group 2023 £
FIXED ASSETS					
Tangible assets	10	1,352,309	1,352,308	966,638	966,637
Investments	11	106,959	106,958	102,000	101,999
		<u>1,459,268</u>	<u>1,459,266</u>	<u>1,068,638</u>	<u>1,068,636</u>
CURRENT ASSETS					
Debtors	13	39,482	37,625	90,304	89,202
Cash at bank and in hand	14	597,583	615,618	970,102	1,004,809
		<u>637,065</u>	<u>653,243</u>	<u>1,060,406</u>	<u>1,094,011</u>
CREDITORS: amounts falling due within one year	15	(258,459)	(270,079)	(270,288)	(284,623)
NET CURRENT ASSETS		<u>378,606</u>	<u>383,164</u>	<u>790,118</u>	<u>809,388</u>
NET ASSETS		<u>£ 1,837,874</u>	<u>£ 1,842,430</u>	<u>£ 1,858,756</u>	<u>£ 1,878,024</u>
FUNDS					
Unrestricted funds:					
Designated funds	16	265,346	265,346	260,730	260,730
Subsidiary companies	16	-	4,556	-	19,268
General fund	16	254,883	254,883	276,499	276,499
		<u>520,229</u>	<u>524,785</u>	<u>537,229</u>	<u>556,497</u>
Restricted funds	16	1,317,645	1,317,645	1,321,527	1,321,527
		<u>£ 1,837,874</u>	<u>£ 1,842,430</u>	<u>£ 1,858,756</u>	<u>£ 1,878,024</u>

The financial statements have been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 relating to small companies and the Financial Reporting Standard 102. The financial statements were approved, and authorised for issue, by the Board of Trustees on

18 December 2024 and signed on their behalf by:-

Richard Heaton

SIR RICHARD HEATON KCB, Chair



3:54am)

JASMIN BOOTH, Treasurer

Jasmin Booth (Dec 18, 2024, 3:41pm)

The Koestler Trust

Consolidated Cash Flow Statement

For the year ended 31 March 2024

	2024 £	2023 £
Cash flows from operating activities		
(Deficit)/surplus for the financial year	(35,594)	440,781
Adjustments for:		
Depreciation	34,354	2,912
Decrease/(increase) in debtors	51,577	(2,501)
(Increase)/decrease in creditors	(14,544)	99,933
Investment income	(6,700)	(2,370)
Net cash flows from operating activities	29,093	538,755
Cash flows from investing activities		
Purchase of tangible fixed assets	(420,025)	(490,406)
Purchase of investments (fixed and short term)	(4,959)	48,234
Return on investment - interest receivable	6,700	2,370
Net (decrease)/increase in cash and cash equivalents	(389,191)	98,953
Cash and cash equivalents at 1 April 2023	1,004,809	995,686
Cash and cash equivalents at 31 March 2024	£ 615,618	£ 1,094,639
Components of cash and cash equivalents		
	At 1 April 2023 £	At 31 March 2024 £
Cash at bank and in hand	<u>1,004,809</u>	<u>615,618</u>

The Koestler Trust

Notes to the consolidated Financial Statements

For the year ended 31 March 2024

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102 have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' (FRS 102) and the Companies Act 2006. The presentational currency of the financial statements is Pound Sterling (£).

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Group financial statements

These financial statements consolidate the results of the Charity and its wholly-owned subsidiary, Koestler (Sales) Limited, on a line by line basis. A separate Statement of Financial Activities for the Charity itself is not presented because the Charity has taken advantage of the exemptions afforded by the Companies Act 2006 and SORP 2015.

Company status

The Koestler Trust is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The cost of administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Statutory grants which are given as contributions towards the Charity's core services are treated as unrestricted.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, it is probable that the amount will be received and the amount can be quantified with reasonable accuracy. Revenue grants received are deferred when conditions are attached, for example when they relate to a specific future period.

Investment Income is recognised on an accruals basis.

The Koestler Trust

Notes to the consolidated Financial Statements

For the year ended 31 March 2024

Resources Expended

Expenditure is recognised on an accruals basis, inclusive of irrecoverable VAT.

Charitable activities include expenditure associated with the staging of art exhibitions as an essential part of promoting artistic activities on the part of people within the criminal justice system, as set out in the Trust's Objectives stated in the Trustees report. They also include the award of prizes for the artistic merit of the work and the activities of the Koestler Art Centre, which organises the exhibitions, promotes the work of the Trust within the prison system, including specific arts projects and exhibits prisoner art on a permanent basis.

Support costs are overhead expenditure and management costs necessary in order to control the charitable activities of the Trust and ensure that the Trust's objectives are being achieved. They are allocated over the charity's expenditure headings, including fundraising, charitable activities and governance based on staff costs.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Koestler House on leased land	Over 10 years
Computer equipment	Over 4 years
Fixtures, fittings & equipment	Over 7 years

Pensions

The Charity contributes to a defined contribution pension scheme on behalf of a number of employees. The pension charge represents the amount payable by the charity to the pension fund in respect of the year.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Judgements and key sources of estimation uncertainty

Judgements and key sources of estimation uncertainty are detailed in the above accounting policies, where applicable.

Financial Instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments, for example debtors, cash at bank and creditors. These are initially recognised at transaction value and subsequently valued at settlement value.

The Koestler Trust

Notes to the consolidated Financial Statements

For the year ended 31 March 2024

2. DONATIONS AND LEGACIES

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Income for Charitable activities				
Donations from Public Sector	151,380	3,750	155,130	162,630
Donations from Trusts	320,193	41,758	361,951	282,446
Donations from Businesses	86,612	250	86,862	89,078
Donations from Individuals	73,381	507	73,888	92,483
Sales of Donated Goods	645	-	645	-
Legacies	31,950	-	31,950	280,391
	<u>664,161</u>	<u>46,265</u>	<u>710,426</u>	<u>907,028</u>
Capital Grants (note 3)	-	46,942	46,942	490,268
	<u>£ 664,161</u>	<u>£ 93,207</u>	<u>£ 757,368</u>	<u>£ 1,397,296</u>

Comparative donations and legacies

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Income for Charitable activities			
Donations from Public Sector	151,380	11,250	162,630
Donations from Trusts	253,903	28,543	282,446
Donations from Businesses	76,261	12,817	89,078
Donations from Individuals	85,857	6,626	92,483
Legacies	280,391	-	280,391
	<u>847,792</u>	<u>59,236</u>	<u>907,028</u>
	<u>-</u>	<u>490,268</u>	<u>490,268</u>
	<u>£ 847,792</u>	<u>£ 549,504</u>	<u>£ 1,397,296</u>

In addition to the above grants, donations and legacies, the Trust received the use of 168a Du Cane Road, and the costs associated with maintaining the premises, free of charge from HMP Wormwood Scrubs. This benefit is not included in the Statement of Financial Activities as the value cannot be ascertained without substantial expense on a quantity surveyor.

The Koestler Trust

Notes to the consolidated Financial Statements

For the year ended 31 March 2024

3. KOESTLER HOUSE DEVELOPMENT	2024	2023
	£	£
Capital Funds brought forward	1,381,918	891,650
Restricted grants and donations (note 2)	46,942	490,268
	<u>£ 1,428,860</u>	<u>£ 1,381,918</u>
Analysis of Capital Funds (note 16)		
Designated Funds	82,503	82,503
Restricted Funds	1,346,357	1,299,415
	<u>£ 1,428,860</u>	<u>£ 1,381,918</u>
Capital costs incurred		
Building costs at 1 April 2023	959,228	470,964
Additions during the year ended 31 March 2024	418,949	488,264
Total capital costs incurred by 31 March 2024	<u>£ 1,378,177</u>	<u>£ 959,228</u>

The development of the new building completed in 2023-4. The Trust moved its office to the new building at 170 Du Cane Road on 15 January 2024, and moved its arts processes early in 2024-25.

4. INCOME FROM OTHER TRADING ACTIVITIES	Unrestricted	Restricted	Total	Total
	Funds	Funds	Funds	Funds
	2024	2024	2024	2023
	£	£	£	£
Earned income	433	-	433	-
Trading income	49,053	-	49,053	37,048
Total 2024	<u>£ 49,486</u>	<u>£ Nil</u>	<u>£ 49,486</u>	
Total 2023	<u>£ 37,048</u>	<u>£ Nil</u>		<u>£ 37,048</u>
5. INVESTMENT INCOME	Unrestricted	Restricted	Total	Total
	Funds	Funds	Funds	Funds
	2024	2024	2024	2023
	£	£	£	£
Interest receivable from:				
Bank interest	6,700	-	6,700	2,370
Total 2024	<u>£ 6,700</u>	<u>£ Nil</u>	<u>£ 6,700</u>	
Total 2023	<u>£ 2,370</u>	<u>£ Nil</u>		<u>£ 2,370</u>

The Koestler Trust

Notes to the consolidated Financial Statements

For the year ended 31 March 2024

6. RESOURCES EXPENDED

	Staff costs	Other direct costs	Support costs	Total 2024	Total 2023
	£	£	£	£	£
Cost of charitable activities by project:					
UK Exhibition at Southbank	15,835	33,583	10,994	60,412	159,267
Out of London Exhibitions	35,827	6,203	24,874	66,904	76,349
Prizes Awarded	-	36,118	-	36,118	28,539
Arts Response & Awards	152,955	22,838	106,195	281,988	259,630
Publicity	35,134	20,860	24,393	80,387	79,800
Mentoring	53,838	6,383	37,409	97,630	76,614
Outreach and Involvement	56,962	6,402	39,548	102,912	157,822
Koestler sales	-	18,141	-	18,141	21,855
Total charitable expenditure	350,551	150,528	243,413	744,492	859,876
Costs of generating voluntary income	56,640	8,691	39,325	104,656	136,057
	<u>£ 407,191</u>	<u>£ 159,219</u>	<u>£ 282,738</u>	<u>£ 849,148</u>	<u>£ 995,933</u>

Resources expended include:

	2024	2023
Audit fee (inclusive of VAT)	6,876	6,600
Other services	2,136	2,040
Depreciation	34,354	5,844

Details of staff costs are given in Note 8.

The Koestler Trust

Notes to the consolidated Financial Statements

For the year ended 31 March 2024

6. RESOURCES EXPENDED (continued)

Comparative resources expended

	Staff costs	Other direct costs	Support costs	Total 2023
	£	£	£	£
<i>Cost of charitable activities by project:</i>				
UK Exhibition at Southbank	35,323	101,462	22,482	159,267
Out of London Exhibitions	32,307	23,480	20,562	76,349
Prizes Awarded	-	28,539	-	28,539
Arts Response & Awards	141,538	28,008	90,084	259,630
Publicity	27,925	34,102	17,773	79,800
Mentoring	41,195	9,200	26,219	76,614
Outreach and Involvement	90,761	9,295	57,766	157,822
Koestler sales	-	21,855	-	21,855
Total charitable expenditure	369,049	255,941	234,886	859,876
Costs of generating voluntary income	74,837	13,589	47,631	136,057
	£ 443,886	£ 269,530	£ 282,517	£ 995,933

7. SUPPORT COSTS

	Total 2024	Total 2023
	£	£
Governance costs	9,320	15,520
Staff costs	132,903	168,605
General overheads	140,515	98,392
	£ 282,738	£ 282,517

The Koestler Trust

Notes to the consolidated Financial Statements

For the year ended 31 March 2024

8. STAFF NUMBERS AND COSTS

	2024	2023
	£	£
Wages and salaries	451,492	521,700
Social security costs	37,971	42,927
Pension costs	26,545	28,294
Cost of contracted staff	15,048	-
Other staff related costs	9,038	19,570
	<u>£ 540,094</u>	<u>£ 612,491</u>
	2024	2023
	£	£
Allocated to:		
Charitable activities	350,551	369,049
Fundraising costs	56,640	74,837
Support costs	132,903	168,605
	<u>£ 540,094</u>	<u>£ 612,491</u>
Average number of employees	<u>17</u>	<u>21</u>

One (2023: one) employee received remuneration of more than £60,000 between £60,001 to £70,000.

The key management personnel of the Charity are those persons having authority and responsibility for planning, directing and controlling the activities of the Charity, directly or indirectly, including any Trustee of the Charity. In addition to the Trustees, Key management personnel includes the management team.

Following the recommendations of the National Council for Voluntary Organisations' guidance on *Setting and Communicating Remuneration Policies* (April 2014), and with the agreement of the individual staff involved, the Koestler Trust has started publishing the gross salaries of its management team. These are as follows:

	2024	2023
	£	£
Chief Executive	75,617	71,685
Director of Arts	45,213	17,886
Director of Outreach & Involvement	43,241	40,456
Director of Development	50,399	46,038
	<u>£ 214,470</u>	<u>£ 176,065</u>

The Koestler Trust

Notes to the consolidated Financial Statements

For the year ended 31 March 2024

9. TRUSTEES REMUNERATION AND BENEFITS

The Articles of Association allow for the payment of professional fees to Trustees under certain circumstances, however, during the year, no members of the Board of Trustees received any remuneration (2023 - £NIL).

No members of the Board of Trustees received reimbursement of expenses (2023 - £NIL).

10. TANGIBLE FIXED ASSETS

	Koestler House £	Fixture and fittings £	Computer equipment £	Total £
Cost				
At 1 April 2023	959,228	3,784	19,374	982,386
Additions	418,949	-	1,076	420,025
At 31 March 2024	<u>1,378,177</u>	<u>3,784</u>	<u>20,450</u>	<u>1,402,411</u>
Depreciation				
At 1 April 2023	-	2,080	13,669	15,749
Charge for the year	28,712	964	4,678	34,354
At 31 March 2024	<u>28,712</u>	<u>3,044</u>	<u>18,347</u>	<u>50,103</u>
Net book value				
At 31 March 2024	<u>£ 1,349,465</u>	<u>£ 740</u>	<u>£ 2,103</u>	<u>£ 1,352,308</u>
At 31 March 2023	<u>£ 959,228</u>	<u>£ 1,704</u>	<u>£ 5,705</u>	<u>£ 966,637</u>

The construction of 'Koestler House' was completed on land that is leased for 10 years during the year.

11. INVESTMENTS

	Charity 2024 £	Group 2024 £	Charity 2023 £	Group 2023 £
CCLA COIF Charities Deposit Fund	106,958	106,958	101,999	101,999
Investment in subsidiaries (note 12)	1	-	1	-
	<u>£ 106,959</u>	<u>£ 106,958</u>	<u>£ 102,000</u>	<u>£ 101,999</u>

The Koestler Trust

Notes to the consolidated Financial Statements

For the year ended 31 March 2024

12. INVESTMENT IN SUBSIDIARIES

Koestler (Sales) Limited is a company limited by guarantee whose members are also the trustees of the Koestler Trust. The Company had a policy of donating 25% of sales income from participants' artwork to Victim Support and is included in the costs of sales. The Company also had a policy to gift aid its profits to the Trust. Two of the Trustees were directors of Koestler (Sales) Ltd during the year: Dr Nora Laraki and Gary Mansfield.

The financial results of Koestler (Sales) Limited are as follows:

	2024	2023
	£	£
Turnover	49,053	37,048
Cost of sales	(12,746)	(17,712)
Administrative costs	(5,135)	(3,750)
Profit before Corporation Tax	31,172	15,586
Corporation tax charge	(298)	(393)
Net profit for the year	30,874	15,193
Gift Aid donations to Koestler Trust (see note below)	(45,586)	(2,501)
Change in reserves	£ (14,712)	£ 12,692
Current assets	18,674	34,708
	18,674	34,708
Liabilities	(14,119)	(15,440)
	£ 4,555	£ 19,268
Profit and loss account	4,555	19,268
Capital and reserves	£ 4,555	£ 19,268

Following are the inter-company transactions during the year and balances held at the year end.

	2024	2023
	£	£
Gift Aided donations to the parent charity (Koestler Trust):		
Gift Aid paid during the year from the prior year's pre-tax profits	15,193	2,501
Gift Aid paid during the year from the current year's pre-tax profits	30,393	-
Total Gift Aided donations made during the year	45,586	£ 2,501
Balance due to Koestler Trust as at 31 March 2024	2,496	1,667

The Koestler Trust

Notes to the consolidated Financial Statements

For the year ended 31 March 2024

13. DEBTORS

	Charity 2024	Group 2024	Charity 2023	Group 2023
	£	£	£	£
Due within one year				
Gift Aid recoverable	9,685	9,685	9,153	9,153
Due from group undertakings	2,496	-	1,667	-
Prepayments and accrued income	27,301	27,940	79,484	80,049
Other debtors	-	-	-	-
	<u>£ 39,482</u>	<u>£ 37,625</u>	<u>£ 90,304</u>	<u>£ 89,202</u>

14. Cash at bank and in hand

Significant costs were incurred on the construction of the new Koestler Arts building which was completed by 31 March 2024 resulting in decrease in cash balance from 31 March 2023. These funds were raised in prior years for Koestler House. Further details are provided in the Cash Flow Statement, notes 3, 10 & 16.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Charity 2024	Group 2024	Charity 2023	Group 2023
	£	£	£	£
Grants in advance	238,784	238,784	214,178	214,178
Payments due to Victim Support	-	4,390	-	5,627
Social security and other taxes	9,384	9,384	10,062	10,062
Accruals	10,291	17,521	40,303	46,116
Other creditors	-	-	5,745	8,640
	<u>£ 258,459</u>	<u>£ 270,079</u>	<u>£ 270,288</u>	<u>£ 284,623</u>

The Koestler Trust
Notes to the consolidated Financial Statements
For the year ended 31 March 2024

16. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers and investment gains/(losses) £	Carried Forward £
DESIGNATED FUNDS					
Outreach Fund	65,000	-	(102,912)	57,912	20,000
Mentoring Fund	50,000	-	(47,071)	17,071	20,000
Arts Awards and Response Fund	100,000	-	(281,988)	261,988	80,000
Koestler House Capital costs	-	-	-	80,683	80,683
Koestler House Running costs 24-25	-	-	-	20,000	20,000
Fundraising and Comms development 24-25	-	-	-	10,000	10,000
Family Support and Hosts Fund	15,000	-	(15,892)	892	-
Website and Database Development Fund	30,730	-	(35,357)	4,627	-
Premises Fund	-	-	-	31,820	31,820
Fixed Assets Fund	-	-	-	2,843	2,843
	-			-	
	<u>£ 260,730</u>	<u>£ Nil</u>	<u>£ (483,220)</u>	<u>£ 487,836</u>	<u>£ 265,346</u>
RESTRICTED FUNDS					
UK Exhibition at Southbank	-	17,818	(17,818)	-	-
Koestler House Development Fund	1,299,415	46,942	(28,712)	-	1,317,645
Mentoring	22,112	28,447	(50,559)	-	-
	<u>£ 1,321,527</u>	<u>£ 93,207</u>	<u>£ (97,089)</u>	<u>£ Nil</u>	<u>£ 1,317,645</u>
SUMMARY OF FUNDS					
Designated Funds	260,730	-	(483,220)	487,836	265,346
Subsidiary companies	19,268	49,053	(63,765)	-	4,556
General Funds	<u>276,499</u>	<u>671,294</u>	<u>(205,074)</u>	<u>(487,836)</u>	<u>254,883</u>
	556,497	720,347	(752,059)	-	524,785
Restricted Funds	<u>1,321,527</u>	<u>93,207</u>	<u>(97,089)</u>	<u>-</u>	<u>1,317,645</u>
	<u>£ 1,878,024</u>	<u>£ 813,554</u>	<u>£ (849,148)</u>	<u>£ Nil</u>	<u>£ 1,842,430</u>

The Koestler Trust
Notes to the consolidated Financial Statements
For the year ended 31 March 2024

16. STATEMENT OF FUNDS (continued)

Comparative statement of funds

	<i>Brought Forward</i>	<i>Incoming Resources</i>	<i>Resources Expended</i>	<i>Transfers and investment gains/(losses)</i>	<i>Carried Forward</i>
	£	£	£	£	£
DESIGNATED FUNDS					
2022-23 Projects	40,000	-	(40,000)	-	-
Outreach fund	-	-	-	65,000	65,000
Mentoring & Outreach Fund	35,000	-	(35,000)	50,000	50,000
Arts Awards and Response Fund	90,000	-	(90,000)	100,000	100,000
Family Support and Hosts Fund	15,000	-	-	-	15,000
Website and Database Development Fund	40,000	-	(9,270)	-	30,730
Koestler House Development Fund	82,503	-	(82,503)	-	-
Koestler House Running Costs Fund	15,000	-	(15,000)	-	-
Scholarships		-	(50,692)	-	(50,692)
Mentoring Fund	50,692	-	-	-	50,692
	<u>£ 368,195</u>	<u>£ Nil</u>	<u>£ (322,465)</u>	<u>£ 215,000</u>	<u>£ 260,730</u>
RESTRICTED FUNDS					
UK Exhibition at Southbank	-	17,818	(17,818)	-	-
Koestler House Development Fund	809,147	490,268	-	-	1,299,415
Mentoring	57,308	41,418	(76,614)	-	22,112
	<u>£ 866,455</u>	<u>£ 549,504</u>	<u>£ (94,432)</u>	<u>£ Nil</u>	<u>£ 1,321,527</u>
SUMMARY OF FUNDS					
Designated Funds	368,195	-	(322,465)	215,000	260,730
Subsidiary companies	6,576	37,048	(24,356)	-	19,268
General Funds	196,017	850,162	(554,680)	(215,000)	276,499
	<u>570,788</u>	<u>887,210</u>	<u>(901,501)</u>	<u>-</u>	<u>556,497</u>
Restricted Funds	866,455	549,504	(94,432)	-	1,321,527
	<u>£ 1,437,243</u>	<u>£ 1,436,714</u>	<u>£ (995,933)</u>	<u>£ Nil</u>	<u>£ 1,878,024</u>

The Koestler Trust

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For the year ended 31 March 2024

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds		Restricted Funds	Total Funds
	Designated Funds	General Funds		
	£	£	£	£
Tangible fixed assets	-	2,843	1,349,465	1,352,308
Fixed asset investments	-	106,958	-	106,958
Net current assets	265,346	149,638	(31,820)	383,164
	<u>£ 265,346</u>	<u>£ 259,439</u>	<u>£ 1,317,645</u>	<u>£ 1,842,430</u>

Comparative analysis of net assets between funds

	Unrestricted Funds		Restricted Funds	Total Funds
	Designated Funds	General Funds		
	£	£	£	£
<i>Tangible fixed assets</i>	-	7,409	959,228	966,637
<i>Fixed asset investments</i>	-	101,999	-	101,999
<i>Net current assets</i>	260,730	186,359	362,299	809,388
	<u>£ 260,730</u>	<u>£ 295,767</u>	<u>£ 1,321,527</u>	<u>£ 1,878,024</u>

18. PENSION COMMITMENTS

Pension costs in note 8 relate to payments made to a defined contribution pension scheme. The charitable company's liability is limited to making the payments due to the scheme on a timely basis. The liability at the 31 March 2024 is nil (2023 : £5,746).

19. RELATED PARTIES

There were no related party transactions, other than those disclosed in note 6 and 7.

The Koestler Trust

Notes to the consolidated Financial Statements

For the year ended 31 March 2024

20. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>
	<i>Funds</i>	<i>Funds</i>	<i>Funds</i>
	<i>2023</i>	<i>2023</i>	<i>2023</i>
	<i>£</i>	<i>£</i>	<i>£</i>
INCOME AND ENDOWMENTS FROM:			
Donations and legacies			
for charitable activities	811,978	95,050	907,028
for capital development	-	397,221	490,268
Other trading activities	37,048	-	37,048
Investments	2,370	-	2,370
TOTAL	<u>851,396</u>	<u>492,271</u>	<u>1,436,714</u>
EXPENDITURE ON:			
Raising funds			
Costs of generating voluntary income	136,057	-	136,057
Charitable activities	771,715	88,161	859,876
TOTAL EXPENDITURE	<u>907,772</u>	<u>88,161</u>	<u>995,933</u>
NET MOVEMENT IN FUNDS	(56,376)	404,110	440,781
RECONCILIATION OF FUNDS:			
TOTAL FUNDS AT 31 MARCH 2022	1,374,243	63,000	1,437,243
TOTAL FUNDS AT 31 MARCH 2023	<u>£ 1,317,867</u>	<u>£ 467,110</u>	<u>£ 1,878,024</u>