

Registered number: 05905050
Charity number: 1126729

People United
(A company limited by guarantee)

Unaudited

Trustees' report and financial statements

For the year ended 31 March 2022

(A company limited by guarantee)

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**Reference and administrative details of the Company, its Trustees and advisers
For the year ended 31 March 2022**

Trustees	S Moffitt, Chair B C Payne (appointed 17 January 2022) G Bremner (appointed 17 January 2022) N Melton (appointed 30 September 2021) M J Smith (appointed 30 September 2021) E H Flynn M B Gregson E S Wilcox M C Maxwell (resigned 30 June 2022) S Uberti Bona Blotto (resigned 30 September 2021)
Company registered number	05905050
Charity registered number	1126729
Registered office	Canterbury Innovation Centre University Road Canterbury Kent CT2 7FG
Company secretary	J McGuinness
Chief executive officer	J McGuinness
Accountants	Kreston Reeves LLP Chartered Accountants 37 St Margaret's Street Canterbury Kent CT1 2TU

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**Trustees' report
For the year ended 31 March 2022**

The Trustees present their annual report together with the financial statements of the Company for the year 1 April 2021 to 31 March 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

Founded in 2006, People United is a leading participatory arts organisation and an expert in arts and kindness. With a tradition of experimentation, innovation and research, our work uses the arts and creativity to encourage empathy and kindness.

Our vision is of thriving, creative society where people are kind to themselves, each other and the world.

We commission artists to create new participatory work, undertake place-based projects in communities and work with young people in a variety of settings including schools, community groups and youth clubs, focusing on the vital role arts and culture can play in growing a society which is kind and equitable. Based in Kent, many of our activities are local, but we also have a national reach.

People United uses the term kindness to mean consciously acting to benefit other people. We believe in the concept of "radical kindness", which is where kindness and associated behaviours have a crucial role to play in combating social fragmentation and in challenging existing structures and systems. The idea of encouraging kind intentions and behaviour is simple, but feels increasingly pertinent given the profound political, social and environmental pressures that individuals and communities face today, particularly in the wake of the COVID-19 global pandemic.

Our projects are underpinned by robust research and evaluation that demonstrates the need for and impact of our work. It also informs our future development and planning. Our research, supported by several universities, including our academic partner, the University of Kent, focuses on how the arts can create conditions for kindness by breaking down barriers between people, and promoting empathy and compassion through the mediators of emotions, learning, connections and values. To date we have published three research reports- Arts & Kindness in 2012, Changing the World through Arts and Kindness in 2017, and Taking Care, The Art of Kindness in 2019.

Over the 14 years we have built a significant body of academic evidence based on participatory arts projects involving over 20,000 participants and 100,000 audience members. By utilising and building on this evidence, our work leads to long term change for individuals, organisations and communities, and empowers people to join with others to find common ground and unity.

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Trustees' report (continued)
For the year ended 31 March 2022

Objectives and activities (continued)

People United's charitable objects are:-

- To promote good citizenship for the public benefit by providing, developing and facilitating projects and programmes, in particular but not exclusively using the arts and sport, created to develop and increase social and emotional skills amongst children and adults so as to foster and encourage expressions of kindness, empathy and tolerance towards and amongst people within schools, organisations and the community generally.
- To carry out for the public benefit research into the behaviours of kindness, empathy and tolerance and the values and actions relevant to them, including their potential to impact upon the behaviour of people as citizens and their dissemination of the useful results of that research. We believe that being kind to one another is fundamental to making the world a better place. From a neighbourly smile and a helping hand to ongoing ethical conduct and active altruism, kindness is demonstrated in many different ways. And whereas a lack of kindness breeds intolerance, injustice and inhumanity; kindness grows trust, friendship, and a common sense of community.

b. Activities for achieving objectives

People United develops and delivers projects that support community cohesion, volunteering and active citizenship. We use creative ideas to demonstrate and celebrate kindness and strengthen the positive connections between people. We are both practical and imaginative, encouraging experimentation and innovation and positioning ourselves as a catalyst for change.

In planning our objectives for the year, the Trustees have ensured that they have complied with the duty in s17 of the Charities Act 2011 and kept in mind the Charity Commission's guidance on public benefit.

Achievements and performance

a. Review of activities

In the financial year 2021-22 People United completed a significant piece of work to develop and launch a new website in July 2021. We commissioned Make Good Design LLP, a micro-agency based in Brighton, to design the new site, who worked collaboratively with the People United team. The site was built by Ash Richards, a talented web developer. We were saddened to learn that Ash passed away in July 2022 and wish to convey our condolences to his family and friends.

We embarked on an extensive new programme of creative work, entitled Futures of Care, with funding from Arts Council England (ACE), Kent County Council, Creative Estuary and the Paul Hamlyn Foundation. The programme (which concludes in October 2022) is being delivered with a range of partners, including Kent Refugee Action Network, The Beaney Museum & Gallery in Canterbury, Pie Factory Music, Dover smART and three community kitchens in Dover, Margate and Canterbury. It includes several project strands exploring the theme of "care" and how we can collectively imagine new ways of caring.

In Spring 2022, we developed and submitted a funding application to Arts Council England's next National Portfolio funding round, as the current portfolio period will end in 2023 (following an extension year, see below). This was an extensive and in-depth piece of work which required us to plan both strategically and in detail for the next 3 financial years (2023-26). The whole team contributed to the application, with support from our Trustees, consultants and advisors. The outcome of the application will be known in October 2022.

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**Trustees' report (continued)
For the year ended 31 March 2022**

Achievements and performance (continued)

b. Summary of achievements and performance

People United is an Arts Council England National Portfolio Organisation (NPO). In the wake of the COVID-19 pandemic, Arts Council England (ACE) extended the 2018-22 National Portfolio period by an additional year, adding a 5th year to our NPO funding agreement (22-23). This funding agreement provides People United with essential core funding and enables us to make long term plans from a position of stability (including forging partnerships and providing leverage for other funding bids).

In addition to our creative programme (see below) we were invited for the second year running to facilitate a workshop on kind leadership for the University of Pennsylvania's Organisational dynamics MSc. Once again, our CEO and Project Manager ran an interactive, digital teaching session utilising our Navigating with Kindness toolkit. The session was delivered online in November 2021.

Also in 2021/22, Horsebridge Arts Centre (in Whitstable) engaged People United to deliver a whole-team organisational development session as part of our 'supporting others' consultancy offer. Following the session with the team, we went on to deliver a session for their Board of Trustees. Horsebridge successfully applied for funding so that we can continue this work with them in 2022-23.

Our CEO was invited to speak for the second year in a row at KindFest, an international, annual, virtual conference held on World Kindness Day. She also gave a presentation at Leeds Festival of Kindness. She is a member of the Kent and Medway Cultural Transformation Forum and chaired 'round tables' for Kent County Council with sector peers, to discuss ways develop to socially engaged arts practice in Kent.

c. Key Creative Highlights

Futures of Care programme: Manifesto of Care

People United collaborated with youth leaders and 16-20 year-old refugees supported by Kent Refugee Action Network (KRAN) in Canterbury, teenagers at Pie Factory Music in Thanet, and graphic designer/artist Soofiya to co-create a Manifesto of Care. The manifesto explored what the young people cared about, what they wished for and what they would want to change. The resulting artwork functions as both a "make your own manifesto of care" kit and a poster.

Futures of Care programme: Creative Care toolkit packages

In response to a series of workshops where young people in East Kent considered "what could you invent to better care for yourself and others?", People United commissioned four artists to create artworks to be included in Creative Care Toolkit Packages to be distributed to young people – many of whom were young carers.

As well as these specially made artist items, the Care Packages contained the Futures of Care "make-your-own" Manifesto by artist Soofiya and young people at KRAN, a song written and performed by the teenagers at Pie Factory Music, and carefully selected winter treats.

The packages were distributed to 180 Young People across East Kent just before Christmas 2021; some via interactive workshops with youth leaders, and some delivered to doorsteps. The recipients included 30 young refugees, 120 young carers in Dover and 30 young people in Thanet.

Futures of Care programme: Bright Lights

With funding from the Roger De Haan Charitable Trust, People United and Year 10 pupils from Turner Free School in Folkestone commissioned artist Hannah Whittaker to co-create an interactive artwork exploring the theme of care, resulting in a piece that explored taking active care of their local environment.

The group worked collaboratively with Hannah to develop an interactive animation using multiple software programmes and Minecraft to illustrate their ideas of a local utopia of care.

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Trustees' report (continued)
For the year ended 31 March 2022

Achievements and performance (continued)

Navigating with Kindness anthology

People United's Navigating with Kindness anthology was published in March 2022 to mark the second anniversary of the UK's first COVID-19 lockdown. It features 15 reflections in the form of visual art, prose, poetry and video created in direct response to the COVID-19 crisis. The original series of work was commissioned throughout the unprecedented spring and summer of 2020. Using prompts from People United's Navigating with Kindness cards, artists, makers, charity workers, authors and many others from across multiple disciplines were invited to share their experience of finding kindness within the uncertainty of a global pandemic.

Creative consultancy work with Creative Newington project

In Spring 2022, People United were commissioned by Creative Civic Change via Starlings Support CIC (based in Newington, Ramsgate) to devise and deliver a creative consultation programme with the local community and the leaders of the two-year Newington Creative programme, with the aim of evaluating the outcomes, and helping them develop a roadmap for the future. Our relationship with the Creative Civic Change team in Newington dates back to our multi-year participatory community arts project called The Best of Us which began in 2016.

Looking forward

Plans were put in place for the 2022-23 creative programme, including: a longer, embedded project with young people from Kent Refugee Action Network, co-led by two KRAN youth ambassadors. The resulting multi-site artwork will be displayed in The Beaney (museum, gallery and library), outdoors in Canterbury city centre and at KRAN; three Futures of Care commissions, one partnering three community kitchen in Margate, Dover and Canterbury, a project exploring the role of care and welcome in and for queer communities in Kent, and a collaboration with international artist Selena Thompson and local artists that will connect people who are housebound, or have difficulties getting outside, with the natural environment.

We also embarked on a review of People United's evaluation practices, supported by evaluation experts Armstrong Cameron and funded by Kent County Council via Kent Community Foundation. This will continue through 2022-23, with the development of a new Evaluation Framework due for completion in the third quarter of 2022-23.

d. Response to the COVID-19 pandemic and future planning

People United continued to feel the effects of the COVID-19 pandemic throughout the financial year 2021-22, working with changing restrictions and best practice (such as increased social distancing, wearing face coverings etc.) to ensure the team and our collaborators/participants remained safe and well-cared for.

As restrictions eased, the team gradually returned to working from our office in the Canterbury Innovation Centre. We now utilise a blended approach to flexible working through a mix of office and home-based work.

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**Trustees' report (continued)
For the year ended 31 March 2022**

Achievements and performance (continued)

e. Governance and finance

Four new trustees were recruited in 2021-22 – Natalie Melton, Creative Director of The Crafts Council, Michael Smith, Founding Director of Cog Design, Ben Payne, Director and co-founder of B&G partners, and Grace Bremner, who runs the Creative Civic Change programme. Simona Uberti stepped down as Treasurer in September 2021 and Liz Flynn took on the role on an interim basis.

The Board of Trustees continued to guide the charity, utilising their wealth of experience and knowledge, and providing direction and continuity under the strong leadership of Chair, Steve Moffitt. Communication between the Board and CEO was regular and frequent, with frequent phone calls, email exchanges and via online meetings, as well as in person.

The Board continued to meet each quarter for regular Board meetings both in person and online via Microsoft Teams, including an Away Day for all staff and Trustees in March 2022. The Creative Programmes Producer and Business and Development Manager continued to attend all Board meetings together with the CEO. In addition to the four standard meetings/March Away Day, one additional Away Day was held in January in preparation for People United's application to the next round of Arts Council England's National Portfolio.

f. Staff and colleagues

During the financial year 2021-22 one member of staff left the People United team (the Project Manager, Creative Programmes). The post was reviewed in line with People United's strategic and creative direction, and a new role of Associate Producer was created to replace it. This new post was successfully recruited to in March 2022.

We continued to grow our pool of Associates and retained consultants, increasing our external support to include a digital and communications consultant as well as maintaining our existing relationship with our fundraising and development consultant.

We instigated a new Advisory Panel, with four founding members – Suzanne Alleyne, Cultural Thinker and ACE Changemaker, Professor Robin Banerjee, Head of the School of Psychology at the University of Sussex, Ben Thurman, Senior Policy & Development Office at Carnegie Trust, and Maria Amidu, visual artist and former People United Trustee.

g. Support

People United is extremely grateful for the ongoing support of Kreston Reeves (our accountants) who support the charity each year, and to the East Kent Spatial Development Company (Canterbury Innovation Centre) where our office is based.

We are enormously thankful for the support from all our funders who help us to deliver our mission to create a more kind and caring society through the arts, by enabling us to plan with confidence, increase our reach and impact, and undertake and share research. We are particularly grateful to Arts Council England, the Paul Hamlyn Foundation and Kent County Council for their long-standing and continued support.

Our thanks also go to all our project partners, collaborators and participants.

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Trustees' report (continued)
For the year ended 31 March 2022

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. At the point of making this assessment, the Charity is awaiting the outcome of a multi-year funding bid that will be confirmed within a few weeks. The Charity is hopeful of a positive outcome and have also considered alternative sources of support. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Trustees aim to hold unrestricted reserves equivalent to 6 months core overhead expenditure and sufficient to complete all in-progress projects. The current level of unrestricted general reserves is £104,355 (2021: £117,619) equivalent to 7 months. This is a positive figure, but the funding context remains fluid and small organisations are particularly vulnerable.

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association

The company is constituted under a Memorandum of Association and is a registered charity number 1126729.

b. Methods of appointment or election of Trustees

The management of the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

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Trustees' report (continued)
For the year ended 31 March 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- 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 keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



S Moffitt

Date: 10/10/2022

(A company limited by guarantee)

**Independent examiner's report
For the year ended 31 March 2022**

Independent examiner's report to the Trustees of ('the Company')

I report to the Charity Trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed:



Dated: 10 October 2022

J C Williamson FCA

Kreston Reeves LLP

Chartered Accountants

Canterbury

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Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	35,853	128,549	164,402	198,449
Charitable activities	4	10,020	310	10,330	11,734
Investments	5	-	215	215	528
Total income		45,873	129,074	174,947	210,711
Expenditure on:					
Charitable activities	6	20,563	172,338	192,901	165,026
Total expenditure		20,563	172,338	192,901	165,026
Net movement in funds		25,310	(43,264)	(17,954)	45,685
Reconciliation of funds:					
Total funds brought forward		8,300	167,619	175,919	130,234
Net movement in funds		25,310	(43,264)	(17,954)	45,685
Total funds carried forward		33,610	124,355	157,965	175,919

The total net expenditure for the year of £17,954 is in line with the charity's plans and expectations. Further details are set out in the Trustees' Report on page 3.

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 12 to 23 form part of these financial statements.

(A company limited by guarantee)
Registered number: 05905050

Balance sheet
As at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9	9,807	7,858
Current assets			
Debtors	10	-	208
Cash at bank and in hand		153,722	169,473
		<u>153,722</u>	<u>169,681</u>
Creditors: amounts falling due within one year	11	(5,564)	(1,620)
Net current assets		<u>148,158</u>	<u>168,061</u>
Total net assets		<u>157,965</u>	<u>175,919</u>
Charity funds			
Restricted funds	12	33,610	8,300
Unrestricted funds	12	124,355	167,619
Total funds		<u>157,965</u>	<u>175,919</u>

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



S Moffitt

Date: 10/10/2022

The notes on pages 12 to 23 form part of these financial statements.

(A company limited by guarantee)

**Notes to the financial statements
For the year ended 31 March 2022**

1. General information

People United is a charitable company limited by guarantee incorporated in England and Wales, with charity number 1126729 and company number 05905050. The address of the registered office is Canterbury Innovation Centre, University Road, Canterbury, Kent CT2 7FG. Details of the principal activities are included in the Trustees' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

People United meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in Pounds Sterling and are rounded to the nearest pound.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. At the point of making this assessment, the Charity is awaiting the outcome of a multi-year funding bid that will be confirmed within a few weeks. The Charity is hopeful of a positive outcome and have also considered alternative sources of support. Therefore, they have concluded that the the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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**Notes to the financial statements
For the year ended 31 March 2022**

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Fixtures and fittings	-	15% running balance
Computer equipment	-	15% running balance

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable

2.8 Debtors

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

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**Notes to the financial statements
For the year ended 31 March 2022**

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.11 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and 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.

Investment income, gains and losses are allocated to the appropriate fund.

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Notes to the financial statements
For the year ended 31 March 2022

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	-	1,249	1,249	1,149
Grants	35,853	127,300	163,153	197,300
	<u>35,853</u>	<u>128,549</u>	<u>164,402</u>	<u>198,449</u>
Total 2021	<u>-</u>	<u>198,449</u>	<u>198,449</u>	

In addition to the figures quoted above, People United has been active in sourcing in-kind and donated services to enable us to deliver our mission as economically as possible. In 2021-22 we received an estimated £10,000 worth of support donated from a variety of sources, including receiving charitable rates for goods and services and a mix of professional advice.

4. Income from charitable activities

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Consultancy	1,020	221	1,241	1,458
Partnership income	9,000	-	9,000	9,900
Sales	-	89	89	376
	<u>10,020</u>	<u>310</u>	<u>10,330</u>	<u>11,734</u>
Total 2021	<u>9,900</u>	<u>1,834</u>	<u>11,734</u>	

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	215	215	528
Total 2021	<u>528</u>	<u>528</u>	

(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2022

6. Charitable activities

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Advertising and marketing	-	11,614	11,614	7,705
Artist fees	3,050	450	3,500	11,260
Computer expenses	-	4,775	4,775	5,217
Consultancy	2,500	-	2,500	260
Depreciation	552	1,178	1,730	1,332
Employer's national insurance	-	7,654	7,654	5,933
Fundraising costs	-	266	266	216
General office expenses	-	565	565	1,495
Gifts	-	204	204	-
Hotels, travel and subsistence	604	869	1,473	207
Independent examiner's fees	-	1,931	1,931	1,698
Insurance	-	667	667	612
Materials	4,773	-	4,773	75
Pension contributions	-	1,737	1,737	1,858
Printing, postage and stationery	98	8	106	152
Producer fees	200	450	650	3,388
Research	1,858	64	1,922	-
Rent	-	10,138	10,138	8,026
Subscriptions	-	285	285	-
Sundry expenses	200	1,923	2,123	1,162
Telephone and internet	-	-	-	419
Utilities	-	853	853	759
Venue hire	245	192	437	-
Wages and salaries	6,483	126,516	132,999	113,252
	20,563	172,339	192,902	165,026
Total 2021	13,600	151,426	165,026	

(A company limited by guarantee)

**Notes to the financial statements
For the year ended 31 March 2022**

7. Staff costs

	2022	2021
	£	£
Wages and salaries	132,999	113,252
Social security costs	7,654	5,933
Contribution to defined contribution pension schemes	1,737	1,858
	<u>142,390</u>	<u>121,043</u>

The average number of persons employed by the Company during the year was as follows:

2022	2021
No.	No.
<u>5</u>	<u>5</u>

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

The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Charity was £46,329 (2021 - £43,628)

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, expenses totalling £75 were reimbursed or paid directly to 1 Trustee (2021 - £NIL to any Trustees). The re-imbursed expenses related to travel costs.

(A company limited by guarantee)

**Notes to the financial statements
For the year ended 31 March 2022**

9. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2021	5,215	5,559	10,774
Additions	-	3,679	3,679
At 31 March 2022	<u>5,215</u>	<u>9,238</u>	<u>14,453</u>
Depreciation			
At 1 April 2021	1,439	1,477	2,916
Charge for the year	566	1,164	1,730
At 31 March 2022	<u>2,005</u>	<u>2,641</u>	<u>4,646</u>
Net book value			
At 31 March 2022	<u>3,210</u>	<u>6,597</u>	<u>9,807</u>
At 31 March 2021	<u>3,776</u>	<u>4,082</u>	<u>7,858</u>

10. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	-	208
	<u>-</u>	<u>208</u>

11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	7	-
Accruals and deferred income	5,557	1,620
	<u>5,564</u>	<u>1,620</u>

(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2022

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Unrestricted funds				
Designated funds				
Paul Hamlyn Foundation	30,000	-	(30,000)	-
Organisational Development Fund	20,000	-	-	20,000
	<u>50,000</u>	<u>-</u>	<u>(30,000)</u>	<u>20,000</u>
General funds				
General Funds (reserves)	117,619	129,074	(142,338)	104,355
Total Unrestricted funds	<u>167,619</u>	<u>129,074</u>	<u>(172,338)</u>	<u>124,355</u>
Restricted funds				
Roger De Haan Charitable Trust Fund	8,300	-	(3,829)	4,471
Creative Estuary Fund	-	9,000	-	9,000
Horsebridge Fund	-	1,020	(1,020)	-
Co-Op Community Fund	-	843	-	843
KCC Arts Investment Fund	-	2,500	(2,500)	-
KCC Build Back Better Fund	-	3,760	(552)	3,208
KCC Strategic Recovery Fund via KCF	-	6,250	(2,800)	3,450
ACE Project Grants Fund	-	22,500	(9,862)	12,638
	<u>8,300</u>	<u>45,873</u>	<u>(20,563)</u>	<u>33,610</u>
Total of funds	<u>175,919</u>	<u>174,947</u>	<u>(192,901)</u>	<u>157,965</u>

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Notes to the financial statements
For the year ended 31 March 2022

12. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
Designated funds				
Paul Hamlyn Foundation	-	60,000	(30,000)	30,000
Organisational Development Fund	20,000	-	-	20,000
	<u>20,000</u>	<u>60,000</u>	<u>(30,000)</u>	<u>50,000</u>
General funds				
General Funds (reserves)	98,234	140,811	(121,426)	117,619
	<u>98,234</u>	<u>140,811</u>	<u>(121,426)</u>	<u>117,619</u>
Total Unrestricted funds	<u>118,234</u>	<u>200,811</u>	<u>(151,426)</u>	<u>167,619</u>
Restricted funds				
Roger De Haan Charitable Trust Fund	8,300	-	-	8,300
Canterbury City Council Fund	1,700	-	(1,700)	-
Thinking Differently About the Arts Fund	2,000	-	(2,000)	-
Compton Verney Fund	-	9,900	(9,900)	-
	<u>12,000</u>	<u>9,900</u>	<u>(13,600)</u>	<u>8,300</u>
Total of funds	<u>130,234</u>	<u>210,711</u>	<u>(165,026)</u>	<u>175,919</u>

(A company limited by guarantee)

**Notes to the financial statements
For the year ended 31 March 2022**

12. Statement of funds (continued)

Purpose of designated funds

The Paul Hamlyn Foundation Fund contributed to the design and development of our new website, our Futures of Care creative programme, our work supporting other arts organisations and artists, and some of our core costs (salaries).

The Organisational Development Fund has been set aside to support organisational development.

Purpose of restricted funds

The Roger De Haan Charitable Trust Fund is for the development and delivery of our Arts and Kindness in Schools programme, to allow us to extend this work into secondary schools/college settings, specifically in the Folkestone and Hythe District.

The Creative Estuary Fund is contributing to our 'Futures of Care' creative programme of work.

The Horsebridge Fund is for consultancy work which People United provided to the Horsebridge Arts Centre around their own organisation development following the Covid-19 pandemic.

The Co-op Community Fund is for the development and delivery of creative workshops for young people who missed out on opportunities to socialise and engage with their communities during the Covid-19 pandemic.

The KCC Arts Investment Fund is for the costs of freelance communications and digital expertise which supported both our core communications and our creative programme.

The KCC Build Back Better Fund is for equipment to enable us to expand the reach of our creative workshops with people in our communities who have been disadvantaged by the Covid-19 pandemic.

The KCC Strategic Recovery Fund via KCF is for the cost of freelance evaluation expertise, specifically to build a new People United Evaluation Framework.

The ACE Project Grants Fund is contributing to our 'Futures of Care' creative programme of work.

The Canterbury City Council Fund is for the development of our Kind Canterbury Project.

The Thinking Differently About the Arts Fund from Canterbury Christchurch University is for the development and delivery of our Arts and Kindness in Schools programme, to allow us to extend this work into secondary schools/college settings, specifically in the Sheppey District.

The Compton Verney Fund was for a 6-month artist commission developed and delivered in partnership with Compton Verney Art Gallery & Park. The commission explored the theme of "humour" and culminated in a new outdoor exhibition/art trail of eight sign-based pieces created by artist Foka Wolf.

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Notes to the financial statements
For the year ended 31 March 2022

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	3,127	6,680	9,807
Current assets	30,483	123,239	153,722
Creditors due within one year	-	(5,564)	(5,564)
Total	33,610	124,355	157,965

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	7,858	7,858
Current assets	8,300	161,381	169,681
Creditors due within one year	-	(1,620)	(1,620)
Total	8,300	167,619	175,919

(A company limited by guarantee)

**Notes to the financial statements
For the year ended 31 March 2022**

14. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £1,737 (2021 - £1,858).

15. Related party transactions

During the year, the Charity did not enter into any related party transactions.

In the previous year, M Amidu, a Trustee, received £80 for commissioning a creative piece for the Navigating with Kindness series.