
SOLA ARTS

UNAUDITED ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2023

Company No. 06655438
Charity No. 1128459

SOLA ARTS

TRUSTEES' REPORT FOR THE YEAR ENDED 29TH MARCH 2023

The trustees are pleased to present their report for the year ended 29th March 2023.

The financial statements have been prepared in accordance with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published (FRS 102) as amended for accounting periods commencing from 1st January 2019.

OBJECTIVES AND ACTIVITIES

The objects of the charitable company are:

- 1) The advancement of public education by the provision of arts projects.
- 2) The relief of persons who have become displaced persons or refugees from the countries of their origin or domicile by reasons of hostilities, persecution, oppression, discrimination, natural distress or other like causes, and their families and dependents who are in conditions or need, hardship and distress.
- 3) The relief of persons who experience mental distress and their families and dependents who are in conditions or need, hardship and distress, by the provision of Art Therapy (also known as Art Psychotherapy).
- 4) Any other purposes charitable by law for the benefit of the community.

In considering the objectives and activities, the trustees have considered Charity Commission guidance on public benefit to ensure that SOLA Arts is meeting its public benefit requirements.

ACHIEVEMENTS AND PERFORMANCE

2022-23 brings optimism for SOLA's future development and lots of positive growth and programmes over the year.

This year, SOLA as always has continued to develop new opportunities and to strengthen established partnerships. Once again, the Directions project has significantly helped us along with our core budget. We received an increase in the budget for the Directions programme and entered an agreement which will take us to deliver on the project until the end of 2023. This allowed SOLA to bring in an additional Engagement Worker & Project Support to enhance the Transitions social & welfare strand. We were also able to bring in 3 new Art Psychotherapists enhancing our therapy programme, to offer a further 3.5 days support for those most in need.

We continued in partnerships and with support from Liverpool Clinical Commissioning Group and also received enhanced and extended funding to deliver on the Greenspaces Programme also supported by Mersey Forest.

One of the most significant funding successes of 2022-23 was when we received the fantastic news that the our National Lottery Reaching Communities Grant was successful. This meant that we are able to cover the majority of our core delivery now through DWP, ESF (Directions Project) and National Lottery Community Fund. This match funding of two larger funders gives SOLA and the team some well earned breathing space, through which to explore longer-term sustainability and larger funding to aid this.

The National Lottery Community Fund will cover a match fund until February 2026 and we are hopeful that we will be able to identify funds equivalent to DWP & ESF for core delivery match funding to be assured.

SOLA ARTS

TRUSTEES' REPORT FOR THE YEAR ENDED 29TH MARCH 2023

Staffing in 2023 also expanded to employ a second Creative ESOL Tutor, whilst at the end of the financial year we sadly lost the wonderful Catherine ('Cat') who had been such a fantastic ESOL Coordinator & Tutor, as well as overall fantastic team player and creatively inspired facilitator, passionate about SOLA's work. Cat has moved onwards and upwards with her EFL career and we wish her all the luck and hope that she continues to keep contact as she will be missed.

Cat was very involved with SOLA's activities with the Afghan community and through this work we developed close links with Liverpool City Council Asylum & Refugee Team and Refugee Action. We have continued to work with and for the Afghan community amongst other participants over the year.

Our activities with the Afghan community have been varied and holistic; including: school holiday family creative and food activities, exploring the city and region, ESOL, integration and social skills development, employment and start-up support, supporting set-up of an Afghan community group, Art Psychotherapy. These illustrate the range of support from within our core programme and have been enhanced by other activities over the year.

Our lovely and late Trustee Carl Petersen has been in our thoughts and hearts and his legacy in the van we have been setting up, ready to get out to offer a Creative Calm space is now well on the way to being used in the warmer months of 2023. We think that Carl would approve of this new development in our offer, especially as he so valued supporting people most forgotten in society alongside of a passion for both creativity as a healing experience and supporting destitute people.

2022 saw a strengthened working partnership with Turntable Theatre and in December we worked with Turntable Theatre and Afghan women, to hold a fashion show celebrating and even selling the fantastic clothing and accessories that the women made by hand. Held at the Black-E this went down so well, and the women were extremely proud of themselves as they should be given how talented and formidable the women are as creatives!

We also saw the Made of Stars digital art interactive installation, consisting of a massive pyramid which received artwork and soundscapes projected from artists of displaced background from SOLA. This art piece connected with over 2,500 people across Merseyside and was a great pilot experience working with Turntable Theatre.

We look forward to working more with Turntable Theatre and potentially touring the artwork in other UK venues, to raise understanding of the experience of displacement and resettlement.

Once again, the SOLA team has surpassed any expectation of the quality and benefit of our work for individuals and the community.

Having such a varied skills set, expertise and passion for SOLA's work is testimony to a wonderful and vibrant multi-skilled and multi-talented group of people who make SOLA what it is.

We continue to find ourselves and as a team to adapt, support each other and evolve.

Everyone who has been on the SOLA team journey over the past 12-months has been formidable, compassionate, highly skilled and committed, and I would like to convey sincerest gratitude and respect to our team for this, staff, volunteers, Trustees and supporters.

SOLA has supported over 1,118 people through core contact work and mutual aid and a further 2,500 people through wider activities. That is a remarkable total of 3,618 lives creatively changed and positively impacted on in our local communities.

SOLA ARTS

TRUSTEES' REPORT FOR THE YEAR ENDED 29TH MARCH 2023

We continue to gain feedback as to the impact of our work, believing in the importance to understand from beneficiaries and partners/stakeholder if and how the work that SOLA is doing is working well, effectively, and enough for those we aim to support. Feedback continues to be really positive, and beneficiaries continue to note the support being a lifeline.

With changes to the government approach to migration and people seeking asylum, 2023 brings in the new Illegal Migration Bill which is of great concern for our team and beneficiaries alike. We have already begun to see increases in people's anxiety and deterioration of people's mental health as a result of concern over their legal status. This has been further impacted by government plans to transport newly arrived people seeking asylum to Rwanda for processing of their asylum claim. There has also been a plan to house people seeking asylum in complexes in the form of floating accommodation centres in remote coastal communities around the UK. One of the places proposed for a floating accommodation is the Wirral, which of course holds significant concern for SOLA. As such, we continue to partner with local campaign groups and local charities to challenge this proposal and raise concern with the local authorities about such a programme.

Simultaneously, we have seen the Home Office move towards granting status to many SOLA beneficiaries who are classed as Legacy Cases with a longer-term asylum claim. This is very welcome, and we are looking forward to supporting people with their resettlement with Leave to Remain.

This ongoing and ever more obvious contradiction in the way that the government is treating people seeking asylum is complex and becoming deeply concerning, not only for SOLA's clients whilst also for our team who hold the needs of displaced people at the core of our work and ethos. As such, we have continued to voice these concerns through the strategic networks we sit on and key social policy influencers with whom we are linked.

We continue to have core focus of journeying alongside the beneficiary from point of need/crisis through to self-agency, independence and moving on. Incorporating options of support from Art Psychotherapy and core skills through psychodynamic, psycho-social and empowerment approaches. As well as social & development support, asylum process navigation, resettlement, creative skills, social skills, social opportunity and employability.

The importance of Art Psychotherapy and Social Support being the underlying foundation for our delivery continues to be fundamental to beneficiary needs. Our expansion of this service to provide ever more support has been a very positive development this year.

Our work providing Art Psychotherapy, Child Psychotherapy and Reflective Parenting for both children/young people who are looked after and for forever families, continues to be a developing aspect of our work and support for people with mental health vulnerabilities. We have been able to sustain income development through this work whilst support children and young people most at risk due to childhood traumas and ACEs. Working with local authority Special Guardianship Teams, Adoption Support agencies and Children's Residential Homes, our expertise support these children, young people, kinship carers, care workers and forever parents is increasingly becoming recognised.

Working over the past year with new partners such as Anfield Primary School, Holy Trinity Church of England Primary School, Banks Road Primary and Belle Vale Children's Centre has been a welcome enhancement to our outreach provision. We've provided Art & ESOL as well as integration-based family creative programmes, to support refugee families and the wider community to connect through creative spaces and activities.

SOLA ARTS

TRUSTEES' REPORT FOR THE YEAR ENDED 29TH MARCH 2023

Through partnership with The Everyman Theatre, we welcomed the huge puppet 'Little Amal' (living art installation) to meet pupils and families from Holy Trinity Church of England Primary School as part of her ongoing journey to find her parents. The pupils really connecting with Little Amal and her plight, and with a growing number of Afghan children now at the school. This created a space for the children to share understanding and empathy about the experience of displacement.

Over the past year support from our funders has strengthened resulting in significant activities for families in receipt of free school meals in school holidays. Our increased family-based activities has led to a key partnership with The Flying Seagull Project, who have offered in-kind support for families through clowning and circus based experiences. This has been fantastic, and we hope to develop this partnership further during the coming year.

We continued providing vital Art Psychotherapy, Child & Adolescent Psychotherapy and family therapy-based support face to face and if needed then online.

We have continued providing vital support for extremely vulnerable people seeking asylum and migrants including people facing homelessness during lockdown and people resettling in the region.

Our Transitions programme supported over 150 people with Universal Credit, navigating into resettlement including understanding the welfare system and housing. Whilst our employability programme supported people out of these difficulties, through gaining work through employment opportunities evolving and business start-ups in the cultural sector.

In February 2023 disaster struck Syria and Turkey when a seismic earthquake hit the region, decimating the land and taking too many lives. Many of our participants were linked to the regions where the earthquake hit with family and friends either surviving the disaster or having lost their lives as a result of the earthquake. It was a difficult time for many including beneficiaries and people from the SOLA team directly impacted. Although we had lots of clothes to send over to the regions, we became aware that access to money to buy essentials on the ground was most needed; for food, water and shelter that had become scarce and significantly more expensive when available. Also, to ensure effective medical treatment could be delivered by access to medicines and medical equipment.

We did a fundraiser which raised £1,580 which was sent directly to people on the ground; a doctor, a teacher and a community worker. Over 100 people were supported including people taking refuge in a school in Syria, people in Syria and Turkiye without home or with medical health needs. This included children who were family members of SOLA participants who had become orphaned by the earthquake. The donation was given to 4 different areas and covered 1 days of water, food and tents, as well as medical support.

Here in the SOLA project base, Zuki our 14 year old resident therapy dog welcomed a new playmate and follow canine puppy 'Henry' to the team. Henry, like Zuki is now a permanent part of the SOLA family and is in training with us to become a therapy dog.

As can be seen, SOLA has continued to explore new options for programme delivery whilst enhancing and further establishing our core programme. SOLA continues to be innovative and committed to best support people most in need of support, showing this through our desire to understand, empathy, passion, and action.

Trustees have continued supporting our vital work and we have gained two new Trustees Roya Mho Zada and Fawaz Al Motlak. I'm personally so pleased to be inviting Roya and Fawaz as Trustee especially given their personal experience, understanding and knowledge of SOLA having been beneficiaries and volunteers over the years. This brings our Trustee team to 6, half of whom have lived experience of SOLA's work and impact.

SOLA ARTS

TRUSTEES' REPORT FOR THE YEAR ENDED 29TH MARCH 2023

Without the passion and care of our talented team, SOLA wouldn't be where we are now. With this in mind, I'd like to finish by saying a big THANKS to every single person involved in our programming and delivery!

All of these funders have been empathetic and encouraging to our delivery and receptiveness to deliver appropriately and in a flexible and proactive way for the people and communities we support.

FINANCIAL REVIEW

Total income in the year was £190,944 (2022: £195,637) of which £93,957 (2022: £75,286) related to funding for projects upon which restrictions are placed.

Total expenditure in the year was £228,829 (2021: £206,109), leaving a deficit for the year of £37,885 (2022: deficit £10,472).

At 29th March 2023 the charitable company's reserves stood at £37,731 (2022: £75,616) of which £22,619 (2022: £20,727) represented restricted funds

RISK MANAGEMENT

The main risks to which the charitable company are exposed as identified by the Trustees have been considered and systems have been established to mitigate those risks.

RESERVES POLICY

It is the policy of the charitable company to maintain unrestricted funds, which are free reserves; at a level which will allow the charity to cover redundancy costs, lease commitments and continue its activities for three months should no further funding be received.

As at the end of the financial year the unrestricted funds totaled £15,112. The charitable company requires £13,363 for redundancy provision, £396 lease commitments and £34,191 for three months' running costs (Total £47,950).

We will endeavour to increase both grant income to cover project costs to allow for unrestricted funds to build up reserves to cover this need, as well as expand contracted, commissioned and donations based income to fulfil our reserves budget requirement.

PLANS FOR THE FUTURE

Whilst our sustainability continues to be a priority and increasing our reserves an important consideration for the management and Trustees. Sustainability through increased commissioned services for our core focus and activity, as well as longer-term funding have become a focus for the coming year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

SOLA Arts is a charitable company limited by guarantee (registered in England and Wales, No. 06655438) incorporated on 24th July 2008 and registered as a charity (number 1128459) on 6th March 2009.

The company was established under a Memorandum of Association which established the objects and powers of the company and is governed by its Articles of Association. The Memorandum and Articles of Association were amended by Special Resolution on 13th February 2009 and again 20th October 2015.

SOLA ARTS

TRUSTEES' REPORT FOR THE YEAR ENDED 29TH MARCH 2023

Any one over the age of 18 can become a member. It is managed by an Executive Committee of trustees. Executive committee meetings are held monthly, and agenda items include finance, health & safety and staff reports.

REFERENCE AND ADMINISTRATIVE DETAILS

Name	SOLA Arts
Company Number	06655438
Charity Number	1128459
Registered Office	Room 19, Toxteth Town Hall 15 High Park Street Liverpool Merseyside, L8 8DX
Board of Trustees	The Board of Trustees are also its directors. Members are elected by Annual General Meetings of the members of the council in accordance with the Articles of Association.
Trustees	F AlMotlak (Appointed 29 th March 2023) (Resigned 27 th July 2023) N U Barikumwe (Appointed 1 st June 2023) T Brown (Appointed 1 st August 2022) G Al Kalash (Resigned 8 th August 2022) R Mho Zada (Appointed 29 th March 2023) L Omar C Petersen (Resigned 8 th August 2022) A Spiers - Chair N Yousef
Independent Examiner	Paula Sanchez ACCA, c/o LCVS 151 Dale Street, Liverpool, L2 2AH
Bankers	The Co-operative Bank PLC PO Box 250, Skelmersdale, WN8 6WT

Signed on behalf of the Board of Trustees,

.....
A Spiers Trustee – Chair

Date: 18/12/2023.....

SOLA ARTS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principle in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue as a going concern;
- State whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements.

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

The financial statements have been prepared in accordance with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published (FRS 102) as amended for accounting periods commencing from 1st January 2019.

By Order of the Board



A Spiers - Trustee

Room 19, Toxteth Town Hall
15 High Park Street
Toxteth
Liverpool
Merseyside
L8 8DX

Date: ...18/12/2023.....

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SOLA ARTS

I report on the accounts of the charitable company for the year ended 29th March 2023, which are set out on pages 10 to 21

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year ended under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

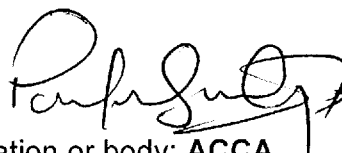
- (1) which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: **Paula Sanchez**

Relevant professional qualification or body: **ACCA**

Address: **c/o LCVS 151, Dale Street, Liverpool, L2 2AH**

Dated: **19th December 2023**



SOLA ARTS
STATEMENT OF FINANCIAL ACTIVITIES (including Income & Expenditure)
FOR THE YEAR ENDED 29TH MARCH 2023

	Notes	Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Total Funds 2022
Income and endowments from:					
		£	£	£	£
Donations and legacies	3a	7,995	-	7,995	78
Charitable activities	3b	88,992	93,957	182,949	195,559
Total income		96,987	93,957	190,944	195,637
Expenditure on:					
Charitable Activities	4	136,764	92,065	228,829	206,109
Total expenditure		136,764	92,065	228,829	206,109
Net (expenditure)/income, net movement in funds		(39,777)	1,892	(37,885)	(10,472)
 Total funds brought forward	 9, 10	 54,889	 20,727	 75,616	 86,088
Total funds carried forward	8-10	15,112	22,619	37,731	75,616
		=====	=====	=====	=====

The notes on pages 12 to 21 form part of these accounts.

All the above amounts relate to continuing activities of the charitable company.

BALANCE SHEET AS AT 29TH MARCH 2023

	Notes	29 th March 2023		29 th March 2022	
		£	£	£	£
Fixed assets					
Tangible fixed assets	5		3,436		6,316
Current assets					
Debtors	6	31,826		27,795	
Cash at bank and in hand		4,525		43,280	
		-----		-----	
		36,351		71,075	
Current liabilities					
Creditors: amounts falling due within one year	7	(2,056)		(1,775)	
		-----		-----	
Net current assets			34,295		69,300
			-----		-----
Total assets less current liabilities			37,731		75,616
			=====		=====
Reserves					
Unrestricted funds	8, 9		15,112		54,889
Restricted funds	8,10		22,619		20,727
			-----		-----
			37,731		75,616
			=====		=====

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime and in accordance with FRS102 SORP.

For the period covered by these accounts the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The trustees, who are the directors of the company, acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

Approved by the Board on:18/12/2023.....


.....
Adele Spiers - Trustee

SOLA ARTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2023

1. Limited Liability

The charity is a company limited by guarantee. Each member's liability is limited to £10.

2. Accounting Policies

Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) as amended for accounting periods commencing from 1st January 2019 and Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The Charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charitable company can build the reserves up to continue in operational existence for the foreseeable future. The Trustees are confident that the levels of liquidity and free reserves will not affect the charity's operations. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Fund accounting

Unrestricted funds are the charity's free reserves available for the trustees to apply in accordance with the charitable company's charitable objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor. All restricted funds are accounted for as restricted income and expenditure for the purposes is charged to the fund.

Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies comprise of monetary donations and general grants which are recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

Income from charitable activities is recognised on an accrual's basis except for grants receivable, which are recognised on the date on which their unconditional payment is confirmed by the donor.

SOLA ARTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2023

Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accrual basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Expenditure on charitable activities relates to the operation of the charity comprising of direct charitable expenditure to meet the objectives of the charitable company. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the charitable company.

Fixed Assets

Capital expenditure of £250 and above is stated in the balance sheet at cost less accumulated depreciation. Depreciation is provided to write off the cost of each asset over its expected useful life as below:

Office Equipment: 33% per annum straight line basis.

Motor Vehicles: 33% per annum straight line basis

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

SOLA ARTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2023

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Taxation

Income and gains are exempt from taxation as they are received and applied for charitable purposes only. The charitable company benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. Income and endowments from

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
a. Donations and legacies				
Donations	7,995	-	7,995	78
	=====	=====	=====	=====

Donations and legacies income for 2022 related wholly to unrestricted funds.

SOLA ARTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2023

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
b. Charitable activities				
Barrow Cadbury Trust	-	-	-	1,690
Contract and commission income	84,263	-	84,263	84,035
Edward Gostling Foundation	-	5,000	5,000	-
Eleanor Rathbone Charitable Trust	-	-	-	3,000
ESF Community Fund	-	16,998	16,998	37,975
Feeding Liverpool	-	1,051	1,051	-
Healthy Activity and Food	-	-	-	5,786
Holiday Activities and Food	-	20,500	20,500	11,300
Kickstart	-	-	-	6,864
LCVS Community Impact Fund	-	2,000	2,000	2,500
LCVS Holiday Activity & Food	-	7,000	7,000	-
LCVS Innovation in Communities Fund	-	-	-	5,100
Mpac	-	5,500	5,500	2,000
National Lottery Community Fund	-	29,973	29,973	-
Our Liverpool Grant	-	5,935	5,935	5,935
Therapy income	4,729	-	4,729	29,374
	88,992	93,957	182,949	195,559

Income from charitable activities in 2022 comprised £120,273 for unrestricted funds and £75,286 related to restricted funds.

4. Expenditure on Charitable Activities

	Direct Charitable Expenditure 2023 £	Support & Governance Costs 2023 £	Total 2023 £	Total 2022 £
The advancement of public education and help families and dependents who have experienced mental distress by the provision of arts therapy	173,420	55,409	228,829	206,109
	=====	=====	=====	=====

SOLA ARTS**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2023****a. Analysed as follows:**

	2023	2022
<i>Direct charitable expenditure:</i>	£	£
Staff salary costs	103,120	107,448
Pension	2,539	2,136
Project facilitator fees	21,124	26,204
Sessional fees	15,989	25,371
Interpreting fees	340	-
Travel and subsistence expenses	7,644	7,362
Activities expenses	12,438	3,638
Equipment	155	2,512
Room hire	2,452	7,023
Volunteer expenses	6,331	4,414
Donation	1,288	-
Motor expenses	-	1,861
	173,420	187,969
	2023	2022
<i>Support & Governance costs:</i>	£	£
Staff salary costs	34,669	-
Pension	794	-
Insurance	2,581	2,825
Office costs	2,537	2,104
Rent	7,636	4,749
Computer and website expenses	1,351	1,532
Subscriptions	294	1,018
Companies House	13	388
Training	805	150
Bank charges	-	2
Payroll fees	649	497
Accountancy	1,200	1,060
Depreciation	2,880	3,815
	55,409	18,140
Total expenditure on charitable activities	228,829	206,109
	=====	=====

£92,065 (2022: £81,701) of the above expenditure relates to restricted funding.

SOLA ARTS**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2023**

b. Staff Costs	2023	2022
	£	£
Gross wages and salaries	134,268	106,688
Social security costs	3,521	760
Pension Costs	3,333	2,136
	-----	-----
	141,122	109,584
	=====	=====

The above staff costs figure includes director's remuneration of £23,422 (2022: £16,035).

c. Particulars of employee numbers:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2023	2022
Charitable activities	6.1	4.7
	=====	=====

No employee received emoluments of more than £60,000 during the year. (2022: £nil).

No out-of-pocket expenses were reimbursed to trustees in the year (2022: £nil).

5. Tangible fixed assets

	Office Equipment	Motor Vehicles	Total
Cost:	£	£	£
Balance at 30 th March 2022	20,807	5,000	25,807
Additions	-	-	-
	-----	-----	-----
Balance at 29th March 2023	20,807	5,000	25,807
	=====	=====	=====
Depreciation:			
Balance at 30 th March 2022	17,269	2,222	19,491
Charge during the year	1,954	926	2,880
	-----	-----	-----
Balance at 29th March 2023	19,223	3,148	22,371
	=====	=====	=====
Net Book Value at 29th March 2023	1,584	1,852	3,436
	=====	=====	=====
Net Book Value at 29 th March 2022	3,538	2,778	6,316
	=====	=====	=====

There were no material capital commitments at the period end. All fixed assets were used in the direct charitable activities of the charity.

SOLA ARTS**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2023****6. Debtors**

	2023	2022
	£	£
Debtors	30,328	26,233
Prepayments	1,500	1,562
	-----	-----
	31,828	27,795
	=====	=====

7. Creditors: amounts falling due within one year:

	2023	2022
	£	£
Accruals	1,200	1,060
Pension	856	715
	-----	-----
	2,056	1,775
	=====	=====

8. Analysis of net assets between funds

2023	Tangible Fixed Assets	Net Current Assets	Total
	£	£	£
Unrestricted Funds			
General Fund	2,629	12,483	15,112
	-----	-----	-----
Restricted Funds			
Edward Gostling Foundation	-	1,395	1,395
Foyle Foundation	160	-	160
National Lottery Community Fund	647	20,417	21,064
	-----	-----	-----
	807	21,812	22,619
	-----	-----	-----
Total Funds	3,436	34,295	37,731
	=====	=====	=====

SOLA ARTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2023

2022	Tangible Fixed Assets	Net Current Assets	Total
Unrestricted Funds	£	£	£
General Fund	4,435	50,454	54,889
	-----	-----	-----
Restricted Funds			
ESF Community Fund	-	7,084	7,084
Foyle Foundation	297	-	297
Holiday Activity and Food	-	2,125	2,125
LCVS Innovation in Communities Fund	-	3,860	3,860
National Lottery Community Fund	1,584	-	1,584
Our Liverpool Grant	-	5,777	5,777
	-----	-----	-----
	1,881	18,846	20,727
	-----	-----	-----
Total Funds	6,316	69,300	75,616
	=====	=====	=====

9. Unrestricted Funds

2023	Reserves at beginning of Year £	<u>Movements in the Year</u>		Reserves at end of Year £
		Income £	Expenditure £	
General Fund	54,889	96,987	(136,764)	15,112
	=====	=====	=====	=====

2022	Reserves at beginning of Year £	<u>Movements in the Year</u>		Reserves at end of Year £
		Income £	Expenditure £	
General Fund	58,946	120,351	(124,408)	54,889
	=====	=====	=====	=====

General Fund is used to finance the charitable company's general activities as outlined in the Trustees' Report.

SOLA ARTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2023

10. Restricted Funds

2023	Reserves at beginning of Year £	Movements in the Year		Reserves at end of Year £
		Income £	Expenditure £	
Edward Gostling Foundation	-	5,000	(3,605)	1,395
ESF Community Fund	7,084	16,998	(24,082)	-
Feeding Liverpool	-	1,051	(1,051)	-
Foyle Foundation	297	-	(137)	160
Holiday Activities and Food	2,125	20,500	(22,625)	-
LCVS – Community Impact Fund	-	2,000	(2,000)	-
LCVS Holiday Activity & Food	-	7,000	(7,000)	-
LCVS Innovation in Communities Fund	3,860	-	(3,860)	-
Mpac	-	5,500	(5,500)	-
National Lottery Community Fund	1,584	29,973	(10,493)	21,064
Our Liverpool Grant	5,777	5,935	(11,712)	-
Totals	20,727	93,957	(92,065)	22,619

2022	Reserves at beginning of Year £	Movements in the Year		Reserves at end of Year £
		Income £	Expenditure £	
Barrow Cadbury Trust	8,850	1,690	(10,540)	-
Eleanor Rathbone Charitable Trust	-	3,000	(3,000)	-
ESF Community Fund	458	37,975	(31,349)	7,084
Foyle Foundation	4,850	-	(4,553)	297
Grow Wild Community Project Funding	546	-	(546)	-
Healthy Activity and Food	-	5,786	(5,786)	-
Holiday Activities and Food	-	11,300	(9,175)	2,125
John Moores Foundation	1,369	-	(1,369)	-
LCVS – Community Impact Fund	-	2,500	(2,500)	-
LCVS Innovation in Communities Fund	-	5,100	(1,240)	3,860
Mpac	1,262	2,000	(3,262)	-
National Lottery Community Fund	7,057	-	(5,473)	1,584
Our Liverpool Grant	2,390	5,935	(2,548)	5,777
Steve Morgan Foundation	360	-	(360)	-
Totals	27,142	75,286	(81,701)	20,727

These are monies given to the charitable company to be spent at the discretion of the Board of Trustees for specific charitable purposes, as below.

Barrow Cadbury Trust - Emergency COVID funding for core costs October 2020 to Mid-April 2021

Edward Gostling Foundation - Contribution towards art therapy and art activities

SOLA ARTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2023

Eleanor Rathbone Charitable Trust - Contribution towards Creative Confidence project supporting asylum seekers and refugees through by art psychotherapy and social support.

ESF Community Fund - Development of employability skills and social skills through creative activity and skills development, graphic arts skills, cooperative working and exploring set up of a studio run by volunteers. October 2019- July 2020 to deliver moving towards employment programme.

Feeding Liverpool - Contribution towards rent and utilities costs.

Foyle Foundation - Emergency COVID funding for core costs February 2020 to February 2021

Grow Wild Community Project Funding - Contribution towards gardening project.

Healthy Activity and Food - Contribution towards family and children programme.

Holiday Activities and Food - Contribution towards family and children programme.

John Moores Foundation - Contribution towards salary costs.

LCVS – Community Impact Fund - Contribution towards salary costs

LCVS Holiday Activity & Food - Contribution towards family school holiday activities.

LCVS Innovation in Communities Fund - Contribution towards employability programme

LCR Cares Mayoral Fund - Emergency COVID funding for core costs.

Mpac - Contribution towards family school holiday activities.

National Lottery Community Fund - Contribution towards 'Art therapy or Man Chat' project

Our Liverpool Grant - Contribution towards 'Male Art Therapy' project

Steve Morgan Foundation - Emergency COVID funding for core costs

11. Operating Lease Commitments

The organisation has a lease commitment (one month notice) of £396 (2022: £396).

12. Related Parties

Adele Spiers, a trustee was paid £21,124 (2021: £26,204) as a facilitator on a self- employed basis during the year ended 29th March 2023.

13. Contingent Liabilities

The charitable company did not have any contingent liabilities at 29th March 2023 or 29th March 2022.

14. Guarantees

As at 29th March 2023, 6 members had given a guarantee of £10 each in the event of the company winding-up, total: £60 (2022: 5 members £50).