

South East London Arts Network Limited

also operating as



**London's Leading Visual Arts Organisation for
people with (SMI) Severe Mental Illness**

DIRECTORS REPORT

for

April 2020 to March 2021

AIMS OF THE CHARITY

The aims of the Charity as stated in the Articles of Association are:

- (1) To relieve the needs of people living in South East London who have severe and enduring mental health support needs by the provision of Arts activities
- (2) To advance the education of the public in the subject of severe and enduring mental health issues

Strategy For Achieving These Aims

1. **Arts Network's** main strategy is to provide a range of creative workshops and personal development opportunities for people with (SMI) severe mental illness. Members are encouraged to get involved at all levels of the organisation and take an active part in the Charity's development. We also organise and run several external workshops where members have the opportunity to co-facilitate and share the skills they have learnt with members of the public.

We cater to people of all abilities and people with a variety of complex support needs.

2. **Arts Network** actively works to fight against the stigma that exists around mental health. We achieve this in a number of ways, including exhibiting members' work both in-house and in external exhibitions.

Exhibitions are not only a great way to showcase our members' talents; they also provide opportunities for members to get involved with planning, preparation and delivery.

In addition, members are encouraged (but never pressured) to assist in the running of exhibitions, helping with things such as welcoming people, talking to them about Arts Network and about their work as well as showing visitors around.

Arts Network also actively works with "Time to Change, Time to Talk" campaigns as well as the Mental Health Foundation; organisations leading in the fight against stigma.

EXISTING BOARD

The board currently consists of 5 elected Director/Trustees and a Secretary.

Trustees 2020 – 2021

William Nicholson - Elected 2nd April 2020 - Chairperson and Finance

Gill Philips – June 2015 - Legal and HR

Kate Emblen – March 2019 - Member Rep and Health and Safety

Jake Strickland – March 2019 - IT and Media

Dave Sullivan – March 2019

Claire Morris (Company Secretary) – November 2019

All trustees are unpaid volunteers

HR-STAFF TEAM

All regular sessional staff are qualified in their field, and most have lived experience of mental ill health.
All staff and volunteers are DBS certificated.

Staff and changes over the past year

Staff: 2020 - 2021

Mo Saunders - CEO/Founder - 3 days per week PAYE -1 day as volunteer

Matthew Couper - Development Director 2 days - Freelance

Emily Patterson/Em Greyharbour - Operations Manager - 4 days per week PAYE

Paula Rivas Rodriguez – Creative Service Delivery Lead 4 days PAYE

Joseph Kitem – Facilitator and Media Lead

Jannat Hussain – Facilitator(Started March 2021) 3 days

Miki Holloway – Facilitator (Started March 2021) 3 days

Nora Maddock – Engagement Lead (March 2021) 1day

Service Deveolpment

The thing that dominated everyone's lives in 2020-2021 was the Covid 19 pandemic.

Arts Network's responded quickly by making chages to who the service was delivered. :-

The early days of lockdown

The Covid pandemic was a challenge for everyone, and posed many new difficulties, particularly for organisations that provide face-to-face support to vulnerable people such as Arts Network. Even before the lockdown officially happened, Arts Network found that some members were anxious about attending the studio in case they caught Covid on their journey in or at the Studio. Staff started preparing for a clean and socially distanced workroom, in the early weeks of March 2020.

A week prior to lockdown being formally initiated, the management at Arts Network reacted quickly and flexibly, telephoning all members within two days, asking them if they wanted to keep in touch, and if they did, checking that they had the right contact details. Knowing that many members used social media (especially Facebook, Twitter and Instagram) Arts Network quickly grew its online presence, and from this, the Stay Connected strategy emerged.

Timeline of temporary closure

March 2020

11th March – Started purchasing safety equipment

16th March - Called members to announce temporary closure.

18th March - Posting of the first Stay Connected to all members (front cover had details of closure)

23rd March - Government announce national lockdown

First week of April 2020 – Arts Network started planning the return, 33 issues of Stay Connected sent to members who were clinically vulnerable and unable to return to Arts Network.

When it became clear the lockdown would be extended Arts Network implemented the Stay Connected programme.

Stay Connected Programme

- **Monthly Magazine to all members and associate members.**
- **Monthly Newsletter**
- **3-4 online workshops through Zoom each week**
- **Video tutorials on the website**
- **Phone calls to isolated members**

- **YouTube videos posted online of activities from the Stay Connected magazine**
- **Weekly Walking Groups and Picnics**

The magazine was named Stay Connected and was produced collaboratively by staff, all of whom contribute, and a weekly Arts Network Challenge video tutorial on the website. The magazine features a variety of artistic methods and practices which can be tried, interviews with Arts Network staff and members, art history, mindfulness exercises, information about relevant local partners, and a gallery of work sent in by members. Members receive a physical copy of the magazine through the post, along with materials related to activities in the magazine. Each magazine has a theme, for example, the Water issue, the Rhythm issue, and the Storytelling issue.

The first issue of the Stay Connected magazine, which was six pages, was put together within the first week of Arts Network operating remotely and arrived with many members as the government announced the national lockdown. It was printed and collated by hand and delivered to all members of Arts Network. It was a resounding success and was received extremely well by their members. The second issue went to 33 members initially, those who did not have internet access to attend the online sessions. But when Arts Network realised lockdown would be more than a few weeks, and due to positive feedback from members, we sent more copies out to all members. This led Arts Network to seek funding from Igen Trust, Lewisham Council and Pegasus to increase the number of people receiving the magazine and to also be able to send materials to members, so they were able to take an active part in the workshops. By the third issue in June, the pages had increased to 12 and 150 copies were now printed professionally and distributed to members along with art equipment. By September 2020 it had increased to 20 pages. At present, the circulation has reached 1,250, and is growing each month. In addition to Arts Network members, the magazine is sent to various local organisations, and mental health providers including South London and Maudsley NHS Foundation Trust who receive 690 copies which are used by their occupational therapy departments as a resource on wards and in clinics.

In addition to the magazine, the Stay Connected strategy makes extensive use of social media. We post workshop activities for people to follow on YouTube and have used Zoom to run between 3 and 4 workshops a week for Arts Network members. These include Art History, and two or three activities from the Stay Connected magazine. They also offer virtual visits to places such as the Horniman Museum and the Queen's Gallery. Members' work is shared on Instagram, Facebook and Twitter, including takeovers of other organisations' social media. There is also a gallery page in Stay Connected where members work is shared. Arts Network also ran a weekly walking group, visiting local parks and local places of interest. These walks were also available live through Zoom to members who were isolating. A podcast interview about Arts Network was also broadcast on North London Radio.

End of year box

Arts Network received some funding from the National Lottery's 25-year Celebration Fund and used this to send activity boxes and an extra-large edition of Stay Connected magazine to 150 members. The boxes contained games and a bingo card, and various art materials all centred on an end of year Zoom gathering which they were invited to attend. There was a programme which centred around an all-day (11-5pm) online drop-in where activities, including a laughter workshop, sing-along, charades, bingo and arts activities took place. Feedback from members suggested this was very well received and enjoyed.

PARTNERSHIPS

Partnerships developed or continued through 2020 – 2021

In 2020-2021 Arts Network continued working with the following organisations:

York St.John, Converge
Converge York St John University
Converge Northumbria
Orb Community Arts
SLaM Recovery College
SLaM Volunteers Service
Horniman Museum and Gardens
In Studio Collective at the Horniman
Tate Galleries (Modern and Britain)
Lewisham Medical Centre
Kew Gardens
Bethlem Gallery
IAPTS
Quo Vadis
Lewisham/Bromley Mind
Old Wilsonians Sports Club
Royal Academy
V&A Museum
“Time to Talk” campaign
The Mental Health Foundation
Queens Gallery
Maritime Museum Greenwich

New Partnerships Developed with:

Objects On Loan - Horniman Archives
Lewisham Community Links Forum
MakeMee Community Projects
Community Connections
Shape Lewisham
Dulwich Picture Gallery
Samaritans Lewisham and Greenwich
Ivory Group

Micro-network of arts and mental health organisations

Very soon after the lockdown, Arts Network sought to connect with similar small-scale arts and mental health organisations across the country, with the intention of sharing ideas, mutual support and to share funding opportunities. It was roughly nine organisations to begin, there are now 14 including Arts Network. There is a workshop exchange started in April 2021.

- Artlift (Gloucestershire) - <https://artlift.org>
- Arts and Minds (Cambridge)- <https://artsandminds.org.uk>
- Arts Well (Cornwall) - <https://arts-well.com/>
- Borderland Voices (Leek) - <http://borderlandvoices.org.uk/>
- Converge (York) - <https://www.yorks.ac.uk/converge/>
- Creative Shift (Bristol) - <https://www.creativeshift.org.uk/>
- Flourish (Sheffield)- <https://sheffieldflourish.co.uk>
- Inspirative Arts (Derby) - <https://www.inspirativearts.co.uk>
- Key Changes (London) - <https://www.keychanges.org.uk/>
- Orb Community Arts - <http://orb-arts.org>
- Pioneer projects – <https://pioneerprojects.org.uk>
- Red Earth (Birmingham) - <https://www.redearthcollective.org.uk>
- Sampad (Birmingham) - <https://www.sampad.org.uk>

PROGRAMME 2020-21

While Covid-19 led to the closure of our base at the Leegate Centre in Lewisham, our active and diverse workshop programme has moved online.

Over the last year of the pandemic, we have completely changed our service delivery to provide a new and diverse programme of work to ensure that we kept in touch with our members and supported them in the local community. This new way of working included:

Delivering live online workshops

We started delivering one live workshop a week to engage members. By January 2021 we were running 3-4 online workshops per week. These workshops were: Tuesday - Art History, Wednesday - 1 or 2 craft activities, Thursday - a workshop from Stay Connected magazine.

The workshops are attended by between 6 – 20 members at each session. This is a chance for members to re-engage in creative workshops and connect with each other.

Producing 65 tutorial videos

We produced films tutorial videos that acted as companion aids to activities in the Stay Connected publication and are available via our YouTube Channel, Instagram and on the Arts Network website: <https://artsnetwork.org.uk/wp/arts-crafts/>

FUNDING

Current funders are :

The funding secured in 2020-21 has allowed Arts Network to take stock of their current programme and identify gaps in delivery. Through this process we have submitted the following bids to ensure our programme delivery:

Funder	Total Grant Confirmed	Amount 2020-21	First Payment	Last Payment	Note
Pegasus Trust	£60,000	£20,000	August 2019	August 2021	3 years funding. Another application made in August 2021
Igen Trust	171,100	£34,220	March 2018	September 2022	
City Bridge	£125,300	£41,100	January 2021	January 2023	Over three years to support project expansion
Maudsley Charity	£24,948	£3,118	December 2020	January 2023	to deliver projects in Lambeth and Southwark
National Lottery	£200,000	£50,000	June 2019	June 2022	To support on-going programmes
Lottery 25 year celebration	£1,000	£1,000	October 2020	December 2020	One-off grant contributing to Stay Connected Christmas issue and activity packs
Garfield Weston	£30,000	£10,000	September 2020	September 2022	To support on-going programmes
Baring Foundation	£12,000	£12,000	October 2020	October 2020	One-off unrestricted grant
London Community Response	£18,696	£18,696	October 2020	March 2021	To support Stay Connected

Lewisham Mico Fund	£1,000	£1,000	October 2020	October 2020	To support distribution of Stay Connected
TOTAL	£644,044	£191,134			

Update and Future Plans for 2021-2022

Service Delivery

Plans were drawn up for the safe return to the base at Leegate. We were able to accommodate 10 people in the workroom, taking into account social distancing rules. We have been able to offer every member who wants to attend a 2-hour session.

Working areas were clearly marked on the work benches and safety screens were fitted. Areas and equipment are cleaned by staff after each use. A number of sanitiser areas are available throughout the space and at the front door where people sign-in. We have also implemented a one-way walkway system with arrows depicting the direction.

On 11th August 2021 we reopened the workroom to members. Members are returning slowly but steadily. We have also reactivated our referral process and are bringing in new members. Some members are still unsure or nervous about returning, this is to be expected and we will continue to support these members.

We will continue with our Stay Connected Programme, this includes:

Producing the Stay Connected Magazine

Monthly newsletter

Running 2 online workshops a week

One walking group a week, weather permitting (some will be with Thames 21, starting 21st September)

Run 8 personnel project sessions each week at our Lee Green base

Run 1 outreach workshop a week in Southwark – starting October 2021

Run 1 outreach workshop a week in Lambeth – starting November 2021

Start specialist workshops inhouse - starting October 2021

Future Plans and Ambitions

Arts Network's funding situation is currently very secure, which means we can plan in a way which we have previously not been able to do.

Arts Network have been offered a new purpose build premises in Southwark which will be completed in 2023. The benefits include not paying rent for 10 years. The site is part of a hotel complex and will act as the Head Quarters for Arts Network.

Plans for our space on the site includes:

A public gallery

Studio space and workrooms
Café area
Space for other community groups to meet
Potential income from space hire.

Southwark HQ

We have developed a relationship with the Ivory Group, who are building a new hotel in Elephant & Castle, with a dedicated floor for Arts Network. In addition to the facilities detailed above the space will have access to an adjacent park, excellent transport links, separate entrance with lift access and access to local amenities.

Lambeth & Southwark Hubs

Funding from the Maudsley Charity has allowed the organisation to develop projects in Lambeth and Southwark. Spaces have been identified in Lambeth and Southwark and workshops will be starting in October 2021.

Lewisham Hub post 2023

We are in discussions with Galliards, owners of the Leegate Centre, with regards to retaining a space in Lewisham post 2023. If this is not possible, we will look to hire a space in the borough or develop a relationship with an organisation to allow us to continue running workshops in Lewisham from 2023.

Board Development

Arts Network will be looking to develop its board to ensure we have the skills required to move the organisation forward.

Our revised strategy states:

“We would like to recruit a mental health professional, as well as local council members for Lewisham, Southwark and Lambeth.”

This will ensure we are kept up to date on developments in the mental health sector and have advocates for our work in the main geographic areas where we deliver our work.

We are also looking at ensuring our board reflects the demographic diversity of where our work is based.

HR and Staff Development

We are looking to appoint a Support Worker/Facilitator

This role will assist members with benefits, form filling, appeals, finances, housing support. Their post will also involve working in the workroom and building relationships with members. This post is replacing the support we received from Centre 70.

We are also looking to appoint a Lead Facilitator, who will work closely with the Operations Manager on the service delivery.

South East London Arts Network Limited
Directors' Report and Financial Statements
for the year ended to 31 March 2021

Company No 07897115

Charity No 1157803

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Independent examiner's report to the trustees of South East London Arts Network Limited

I report on the accounts of the company for the year ended 31 March 2021, which are set out on pages to .

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 under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, 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 report

My examination was carried out in accordance with the 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 you as 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, 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 by Charities

have 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.

David Popely
DP Associates
Accountants

D. C. Popely

.....

.....

Unit 2 Beech Barn
Eaglewood Park
Iminster
Somerset
TA19 9DQ

South East London Arts Network Limited

Statement of financial activities (including Income and Expenditure Account) for the year ended 31 March 2021

	Notes	Unrestricted	Restricted	Total 2021	Total 2020
		£	£	£	£
Incoming resources					
Sales and commissions		62	-	62	2,420
Bank interest received		15	-	15	-
Workshops		300	-	300	-
Grants and donations	3	21,411	170,927	192,338	82,262
Total Incoming Resources		21,788	170,927	192,715	84,682
Resources expended:	4				
Costs of raising funds		43	-	43	108
Charitable activities:					
Projects, exhibitions & workshops		-	139,565	139,565	96,563
Other costs		1,108	-	1,108	13,208
Total expenditure		1,151	139,565	140,716	109,879
Net Income/(expenditure) for the year	2	20,637	31,362	51,999	(25,197)
Reconciliation of funds					
Total funds brought forward		20,727	15,950	36,677	36,677
Transfers between funds		-	-	-	-
Total funds carried forward		41,364	47,312	88,676	£ 36,677

South East London Arts Network Limited
Company No 07897115 (England & Wales)

Balance sheet
as at 31 March 2021

	Notes	2021 £	2020 £
Current Assets			
Debtors	5	-	-
Cash at bank and in hand		53,661	26,677
Deposit account funds (free reserves)		35,015	10,000
		<hr/>	<hr/>
		88,676	36,677
Creditors: Amounts falling due within one year	6	-	-
		<hr/>	<hr/>
Net Current Assets		88,676	36,677
		<hr/>	<hr/>
		<hr/>	<hr/>
Net Assets	7	£ 88,676	£ 36,677
		<hr/>	<hr/>
Funds:	8		
Restricted Fund		47,312	15,950
Unrestricted Funds:			
- General funds		41,364	20,727
- Designated funds		-	-
		<hr/>	<hr/>
Total unrestricted funds		88,676	36,677
		<hr/>	<hr/>
		<hr/>	<hr/>
Total funds		£ 88,676	£ 36,677
		<hr/>	<hr/>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021. The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

South East London Arts Network Limited
Company No 07897115 (England & Wales)

Balance sheet
as at 31 March 2021 (continued)

The trustees acknowledge their responsibilities for:

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006.

The financial statements were approved by the Board of Trustees on

and were signed on its behalf by:

.....
William Nicholson, Chair

South East London Arts Network Limited

Notes to the financial statements for the year ended 31 March 2021

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

1.1 Basis of Preparation of the Financial Statements

The financial statements have been prepared in accordance with the Companies Act 2006 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 (FRS 102) (as amended for accounting periods commencing from 1 January 2016).

The charity is a Public Benefit Entity as defined by FRS 102.

At the time of approving the accounts the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2 Tangible Fixed Assets and Depreciation

The company holds no tangible fixed assets.

1.3 Value Added Tax

Value Added Tax is not recoverable by the company, and as such is included in the relevant costs in the Statement of Financial Activities.

South East London Arts Network Limited

Notes to the financial statements for the year ended 31 March 2021

1.4 Grants

- 1.4.1. Grants are credited to the Statement of Financial Activities on the earlier date of when they are received or when they are receivable unless it is specified that they are for a future accounting period, in which case they are included on the balance sheet as deferred income to be recognised in those future accounting periods.
- 1.4.2. Grants received for specific purposes are accounted for as restricted funds in the Statement of Financial Activities.

1.5 Restricted Funds

Restricted funds are to be used for the purposes specified by the donor. Expenditure which meets these criteria is identified to the fund.

1.6 Unrestricted Funds

Unrestricted funds are grants, donations, fees and other income received by the company and available as general funds. Whilst not restricted to a specific area of delivery, they have been given to spend on charitable activities.

1.7 Designated Funds

Designated funds are unrestricted funds, which have been set aside by the Trustees for specific purposes.

1.8 Financial Instruments

The charitable company 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.

2. Net incoming resources for the year

The net incoming resources for the year are stated after charging:

	2021	2020
	£	£
Independent Examiner fee	-	-
Trustees' remuneration	-	-
Trustees' expenses reimbursed	-	-
	=====	=====

South East London Arts Network Limited

Notes to the financial statements for the year ended 31 March 2021

3. Grants and donations

	Unrestricted	Restricted	Total 2021	Total 2020
	£	£	£	£
Maudsley Charity	-	6,237	6,237	-
Garfield Weston	-	10,000	10,000	-
London Community Fund	-	18,696	18,696	-
Lottery	-	50,000	50,000	50,000
Space Hire Studios	8,415	-	8,415	11,280
Igen Trust	-	35,220	35,220	170
Pegasus	-	24,774	24,774	20,000
LBL and Micro Bid	-	26,000	26,000	-
Baring Foundation	12,000	-	12,000	-
Sundry donations	996	-	996	812
	<hr/>	<hr/>	<hr/>	<hr/>
	£ 21,411	£ 170,927	£ 192,338	£ 82,262

4. Resources expended

Resources expended represents the following direct and apportioned costs:

	Costs of generating voluntary income	Charitable activities	Govern- ance costs	2021 Total	2020 Total
	£	£	£	£	£
Consultancy fees	-	17,275	-	17,275	8,840
Events and exhibitions	-	-	-	-	494
Printing post and stationery	-	165	-	165	369
Covid-19 Health & Safety	-	-	239	239	-
Travel and subsistence	-	198	-	198	756
Rent, rates and water	-	6,899	-	6,899	4,889
Equipment and resources	-	644	-	644	1,797
Centre 70 sessions	-	2,120	-	2,120	1,590
Training	-	-	131	131	249
Studio fit out	-	-	-	-	2,006
PAYE payroll costs	-	104,353	-	104,353	79,052
Sundry (petty cash)	-	200	-	200	232
Repairs and renewals	-	640	-	640	844
Telephone	-	866	-	866	909
LBL Stay Connected	-	1,000	-	1,000	-
Accountancy fees	-	-	724	724	560
Legal and professional	-	-	14	14	43
Software and computer costs	-	162	-	162	-
Insurance	-	357	-	357	355
Pegasus Gallery costs	-	4,686	-	4,686	6,786
Design and publicity	43	-	-	43	108
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	£ 43	£ 139,565	£ 1,108	£ 140,716	£ 109,879

South East London Arts Network Limited

Notes to the financial statements for the year ended 31 March 2021

5. Debtors	2021	2020
Due within one year:	£	£
Prepayments	-	-
	<hr/>	<hr/>

6. Creditors	2021	2020
	£	£
Amounts falling due within one year:		
Trade creditors	-	-
Other creditors and accruals	-	-
	<hr/>	<hr/>
	£ -	£ -
	<hr/>	<hr/>

7. Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total funds £
Current assets		-		36,677
Creditors: amounts falling due within one year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	£	£ -	£	£ 36,677
	<hr/>	<hr/>	<hr/>	<hr/>

8. The accounts are compliant with the Statement of Recommended Practice (SORP) on Accounting and Reporting for charities which prepare their accounts on an accruals basis

9. Reserves Policy

Arts Network has policies for the following reserves:

1. **Designated Reserves:** These are funds that the charity has designated for a specific purpose.
2. **Restricted Reserves:** These are funds that have been awarded to the Charity for a specific purpose.
3. **Free Reserves:** These are any unrestricted funds left unspent at the end of the financial year, which are available to spend at the discretion of the charity trustees.

1. Designated Reserves: Designated Reserves that are part of the unrestricted funds which charity trustees have earmarked for a particular project or use, without restricting or committing the funds legally. The designation may be cancelled by the charity trustees if they later decide that the planned project is not going ahead. Arts Network would look to build up designated reserves for the following purposes:

- To cover any risk of unforeseen emergency or other unexpected need for funds e.g.; maternity cover or long-term sickness or essential IT equipment.
- To pay for moving costs; The site we are on is due for redevelopment. Our lease is for a further 18 months, although this could be extended, or terminated giving 4 months' notice. We would like to set aside £12,000 to cover any costs should this occur.

2. Restricted reserves: These reserves are seen when funds have not been spent in the current financial year, or when funds are received mid-way through the financial year or may come from money carried from a previous year. These funds are allocated to certain outcomes and can only be used for this purpose.

3. Free Reserves: These reserves are comprised of income from unrestricted funds, including donations, sales, hire fees and other designated unrestricted income.

Free reserves are that part of a charity's income which is available to spend at the discretion of the charity trustees for future unexpected need or to pursue an opportunity in line with the charity's purposes.

Arts Network seeks to have free reserves equating to three months running costs, which can be used at the trustees' discretion for the following purposes:

- Pay redundancies to staff and any outstanding payments owed to them.
- To have 3 months running costs during the windup period.
- Arts Network endeavours to hold three months running costs in reserves. It is acknowledged that this amount will vary according to staffing levels. The level of reserves sought for 2020-21 was £40,000

Independent examiner's report to the trustees of South East London Arts Network Limited

I report on the accounts of the company for the year ended 31 March 2021, which are set out on pages to .

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 under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, 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 report

My examination was carried out in accordance with the 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 you as 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, 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 by Charities

have 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.

David Popely
DP Associates, Accountants

D. C. Popely

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