

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 July 2023
for
COUNCIL FOR HIGHER EDUCATION IN ART &
DESIGN

Knox Cropper LLP
Chartered Accountants
153 -155 London Road
Hemel Hempstead
Hertfordshire
HP3 9SQ

**COUNCIL FOR HIGHER EDUCATION IN ART &
DESIGN**

**Contents of the Financial Statements
for the Year Ended 31 July 2023**

	Page
Report of the Trustees	1 to 6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9 to 10
Notes to the Financial Statements	11 to 15
Detailed Statement of Financial Activities	16 to 17

COUNCIL FOR HIGHER EDUCATION IN ART & DESIGN

Report of the Trustees for the Year Ended 31 July 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

To advance education for the public benefit by promoting knowledge and understanding of art and design within higher education institutions.

Public benefit

CHEAD Trustees confirm they have complied with their duty to have due regard to the guidance on public benefit published by the Commission in exercising their powers or duties. CHEAD Trustees have applied consideration with regard to public benefit when undertaking strategic planning.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

CHEAD delivered a full programme of policy work and events in 2022-2023 focussed on promoting knowledge and understanding of art and design within HEI's within an increasingly uncertain policy environment. CHEAD has worked hard to address issues high on the agenda for CHEAD members including advocacy for creative education and social justice.

CHEAD members and those working in the art and design higher education sector benefitted from CHEAD providing a coherent voice on their behalf to government and policy makers. Members tell us that they do not have the time or skills to respond to consultations individually and so benefit from CHEAD taking a lead on key consultation responses through the lens of art and design education on behalf of the sector.

CHEAD continued to provide policy support to the Design Council for the Design economy 2022 report mapping the state of graduate design education provision. CHEAD also worked with the All Party Parliamentary Design and Innovation Group (APDIG) to contribute to the work of the Disabled Students Commission report 'Arriving at Thriving' and the Manufacturing Growth conference with the Catapult Network, and Creative UK's Creative Skills Futures Group on the Future Skills agenda.

CHEAD responded to a Higher Education Policy Institute report on the Value of Humanities and to Pearson Education's work on the Design GCSE. During the CHEAD conference in Kingston in March 2023 CHEAD delivered a Policy Workshop, alongside APDIG. CHEAD developed a new collaboration with ANdAE, the representative body for art and design education in France, to consider new frameworks and the landscape for bilateral collaboration post BREXIT.

During 2022/23, CHEAD continued to deliver a programme of events through its Leadership Programme, designed to support the current and next generation of academic leaders with three seminars taking place, Operational Matters in February 2022, Focus on Programme Leader in October 2022 and Cultural Capital and Change Management in March 2023.

In the Autumn 2022, CHEAD launched a new specialist Equity, Diversity and Inclusivity Alliance to support members within CHEAD membership institutions responsible for this strategic strand of work to create opportunities to communicate and share best practice.

During 2022/23, CHEAD continued to deliver a programme of membership events focussed on sector specific themes. In November 2022, CHEAD delivered a successful Contested Spaces event which provided an opportunity for CHEAD members to consider a range of themes associated with contested spaces, to hear from speakers in the field and to participate in exploratory discussions. During Spring 2023, CHEAD delivered a hugely successful Women in Leadership event, considering women's leadership in higher education through the lens of art and design, barriers for women leaders in higher education with a range of prestigious speakers and specialist break out sessions for participants.

During 2022/23, CHEAD continued to support a Subject Association Alliance. The alliance met three times and benefitted from presentations from guest presenters, for example by Bernard Hay, Head of Research and Practice at the Design Council. The Alliance spans a number of Subject Associations, some of whom are not CHEAD members. The result is that all Subject Associations benefit from the work of the CHEAD supported Alliance. This includes sharing knowledge and best practice, joint events and promoting knowledge and understanding of art and design within higher education institutions.

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

During 2022/23, CHEAD continued to deliver a programme of events through its Research Alliance with the aim of supporting research leadership and developing activities and resources to support researchers in the sector. The Alliance delivered a successful REF Reflections and Future Toolkit event bringing together members of the Research Alliance to reflect on the recent REF2021 report. The Research Alliance also delivered a key event on AHRC Themes for members to hear from key contacts at the AHRC to outline funding, future calls, social value impact work and broader themes within the AHRC Place programme.

FINANCIAL REVIEW

Financial position

During the year, CHEAD received £124,513 (2022: 106,571) of membership subscriptions and £3,060 (2022: £2,835) from leadership development projects.

The conference generated income of £5,600 (2022: £3,890). Sponsorship income received during the year was £650 (2022: £900).

Expenditure for the year in relation to the CHEAD's educational activities was £129,265 (2022: £110,343) resulting in net income for the year of £4,558 (2022: £3,583).

CHEAD finds itself in a strong position at the end of the 2022/2023 period with expenditure well within income levels and reserves being maintained at a healthy level.

Principal funding sources

Membership subscriptions.

Investment policy and objectives

CHEAD Trustees do not consider it necessary to seek investment advice. Trustees consider that current reserves should remain stable, accessible and risk free.

Reserves policy

CHEAD supports an active and responsive programme of events, seminars, policy briefings and annual conference for members across the UK as well as maintaining two part-time staff members and an accounts assistant on a consultancy basis. The CHEAD Reserves Policy is to maintain sufficient level of reserves to enable normal operating activities to continue over a period of up to six months should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time. At 31 July 2023, CHEAD had reserves totalling £241,392 (2022: £236,834).

CHEAD has taken steps to establish the level of reserve including any risks in respect of expenditure and future income as well as any external risks to income and expenditure. CHEAD also maintains a risk assessment which is reviewed annually and considered as part of the Reserves Policy review.

FINANCIAL REVIEW

Principal risks and uncertainties

The principal risks facing the charity are as follows:

1. Ongoing Impact of the wider external environment, resulting in rising costs and recession

ADM HE recruitment, both from the EU and globally, will be hit and is likely to result in reduced budgets and possibly membership cancellations. Rising running costs will also put pressure on the annual budget.

2. HE Bill being implemented

This could result in the art design and media higher education sector being subjected to increased deprioritisation over time, resulting in some member institutions facing pressure to economise and to reduce costs including membership fees.

3. Ongoing Impact of COVID-19

Higher Education institutions have been impacted significantly by the Covid-19, outbreak. The potential economic impact is significant, with travel restrictions reducing the number of international students taking up in-person places together with the impact on staff workloads and post pandemic adjustments. The risk being the ability of colleagues to engage with CHEAD and membership cancellations.

At the Board of Trustees Away Day this year, Trustees carefully considered a proposal to increase membership fees in line with RPI and approved the proposal. We are pleased to report that membership renewals in August 2023 were at a good level. We experienced four cancellations linked to financial constraints and re-structuring at the respective institutions but also a number of new members joining.

The report must provide a summary of the charity's plans for the future, including its aims and objectives and details of any activities planned to achieve them.

We will achieve our mission by working with our membership to deliver our Strategic Plan 2021-25. CHEAD's vision states it strives to be recognised as the leading representative, influential and authoritative body for art and design in the higher education sector. We aim to be the membership organisation of choice, attaining a positive and trusted reputation with all partners and stakeholders, welcoming a wider context and diversity of perspectives for discussion and development whilst offering unique value to our growing membership.

Our objectives are to:

- Prioritise and foreground equity, diversity, and inclusivity as key drivers for deep and constructive change.
- Foster and direct a culture of inclusive, resilient and dynamic creative leadership in art and design higher education.
- Support, inform, influence and enhance the quality and profile of art and design education, including through a strengthened relationship with GLAD and Subject Associations.
- Promote the visibility, standing and impact of art and design research strategically
- Inform, influence and initiate wider policy, as appropriate, at regional, national and international level.

Our detailed plans to achieve these objectives are:

- To appoint a dedicated temporary role to deliver expansive and wide ranging changes to our suite of governance policy documents to address equity, diversity and inclusivity and to build on the success of our recently launched a member wide EDI Alliance
- To support a leadership programme to support the next generation of academic art and design leaders
- To publish a series of Policy Research reports to illustrate the diversity, value and impact and impact of art and design research

FINANCIAL REVIEW

- To enter into a Memorandum of Understanding with the Group for Learning in Art and Design (GLAD) to formally strengthen our partnership and enhance CHEAD's learning and teaching offer to its member.

FUTURE PLANS

Trustees envisage the future of the Council for Higher Education in Art and Design to be centred around support and sector advocacy for and on behalf of its members. Trustees have been careful to take a responsive and agile response to member needs to ensure it remains valuable and relevant to its membership. A decision to increase membership fee levels in line with RPI to ensure the Charity could continue to deliver its objectives resulted in a positive response from the breadth of the CHEAD membership. Trustees have been careful in their stewardship of the charities reserves with a number of careful investments planned but also small amounts of funds to further key projects that have advanced the organisations leadership in art and design research policy.

Resource allocation decisions are made upfront to further the aims within the strategic plan, whilst retaining the flexibility to make additional small investments throughout the year as priorities based on member's needs come to the fore and are backed up by a strong proposal.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Trustees are appointed to the Board via an annual election at the Annual General Meeting by the CHEAD membership.

Organisational structure

The Charity is comprised of a Board of Trustees and two part-time Directors. CHEAD works closely within a network of art and design focussed organisations including: Design Council, Crafts Council, Creative Industries Federation, All-Party Parliamentary Design and Innovation Group, GuildHE, GLAD and NSEAD.

Induction and training of new trustees

CHEAD has an adopted policy and procedure for the induction and training of trustees. CHEAD has an adopted handbook for Trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

CE012173 (England and Wales)

Registered Charity number

1174589

Registered office

C/O Knox Cropper
153-155 London Road
Hemel Hempstead
Hertfordshire
HP3 9SQ

COUNCIL FOR HIGHER EDUCATION IN ART & DESIGN

Report of the Trustees for the Year Ended 31 July 2023

Trustees

Professor S A Wade Chair (resigned 15.3.23)
Professor R S Smith
Professor J Kaner (resigned 13.8.23)
Professor A Payne
Professor S Manghani (resigned 13.8.23)
D McGravie
S Phoca (resigned 30.1.23)
Dr R D Hunter (resigned 15.3.23)
Dr R Adams
R Bateman
Prof P L Springer
L OBoyle (appointed 4.10.22)
Dr J Butler (appointed 15.3.23)
Professor J MacDonald (appointed 15.3.23)
Dr T Saxon (appointed 15.3.23)
Professor C Dormor (appointed 15.3.23)
Dr S Vaughan (appointed 14.8.23)

Senior Management Team

Sandra Booth, Director of Policy and External Relations
Anna Maloney, Director of Membership and Operations

Independent Examiner

Knox Cropper LLP
Chartered Accountants
153 -155 London Road
Hemel Hempstead
Hertfordshire
HP3 9SQ

Approved by order of the board of trustees on 5 December 2023 and signed on its behalf by:

Trustee

Independent examiner's report to the trustees of Council for Higher Education in Art & Design ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also 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 your charity's accounts as 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.

Stephen Anderson

Knox Cropper LLP
Chartered Accountants
153 -155 London Road
Hemel Hempstead
Hertfordshire
HP3 9SQ

5 December 2023

**COUNCIL FOR HIGHER EDUCATION IN ART &
DESIGN**

**Statement of Financial Activities
for the Year Ended 31 July 2023**

		2023 Unrestricted fund £	2022 Total funds £
	Notes		
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Education		133,823	114,196
EXPENDITURE ON			
Charitable activities			
Education		129,265	110,343
NET INCOME		4,558	3,853
RECONCILIATION OF FUNDS			
Total funds brought forward		236,834	232,981
TOTAL FUNDS CARRIED FORWARD		241,392	236,834

The notes form part of these financial statements

**COUNCIL FOR HIGHER EDUCATION IN ART &
DESIGN**

**Balance Sheet
31 July 2023**

	Notes	2023 Unrestricted fund £	2022 Total funds £
CURRENT ASSETS			
Debtors	5	8,172	6,249
Cash at bank		251,732	242,332
		259,904	248,581
CREDITORS			
Amounts falling due within one year	6	(18,512)	(11,747)
NET CURRENT ASSETS		241,392	236,834
TOTAL ASSETS LESS CURRENT LIABILITIES		241,392	236,834
NET ASSETS		241,392	236,834
FUNDS	7		
Unrestricted funds		241,392	236,834
TOTAL FUNDS		241,392	236,834

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2023 in accordance with Section 476 of the Companies Act 2006.

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.

The notes form part of these financial statements

**COUNCIL FOR HIGHER EDUCATION IN ART &
DESIGN**

**Balance Sheet - continued
31 July 2023**

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

The financial statements were approved by the Board of Trustees and authorised for issue on 5 December 2023 and were signed on its behalf by:

Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

After reviewing the charity's forecasts and projections, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing the financial statements.

2. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

	2023	2022
	£	£
Trustees' expenses	236	183

3. STAFF COSTS

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

	2023	2022
	2	2

No employees received emoluments in excess of £60,000.

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Charitable activities	
Education	114,196
EXPENDITURE ON	
Charitable activities	
Education	110,343
NET INCOME	3,853
RECONCILIATION OF FUNDS	
Total funds brought forward	232,981
TOTAL FUNDS CARRIED FORWARD	236,834

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

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	3,686	4,375
Prepayments and accrued income	4,486	1,874
	8,172	6,249

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	6,664	187
Social security and other taxes	917	589
Other creditors	2,406	2,572
Deferred income	3,788	4,800
Accrued expenses	4,737	3,599
	18,512	11,747

7. MOVEMENT IN FUNDS

	At 1.8.22	Net movement in funds	At 31.7.23
	£	£	£
Unrestricted funds			
General fund	236,834	4,558	241,392
TOTAL FUNDS	236,834	4,558	241,392

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	133,823	(129,265)	4,558
TOTAL FUNDS	133,823	(129,265)	4,558

7. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.8.21 £	Net movement in funds £	At 31.7.22 £
Unrestricted funds			
General fund	232,981	3,853	236,834
TOTAL FUNDS	<u>232,981</u>	<u>3,853</u>	<u>236,834</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	114,196	(110,343)	3,853
TOTAL FUNDS	<u>114,196</u>	<u>(110,343)</u>	<u>3,853</u>

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

	At 1.8.21 £	Net movement in funds £	At 31.7.23 £
Unrestricted funds			
General fund	232,981	8,411	241,392
TOTAL FUNDS	<u>232,981</u>	<u>8,411</u>	<u>241,392</u>

7. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	248,019	(239,608)	8,411
TOTAL FUNDS	<u>248,019</u>	<u>(239,608)</u>	<u>8,411</u>

8. RELATED PARTY DISCLOSURES

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

9. FORMATION OF CHARITY

The charity was formed on 11 September 2017 and began to operate immediately thereafter when the assets and liabilities of the Council for Higher Education in Art & Design, an unincorporated association, were transferred to this charity.

**COUNCIL FOR HIGHER EDUCATION IN ART &
DESIGN**

**Detailed Statement of Financial Activities
for the Year Ended 31 July 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Charitable activities		
Conference income	5,600	3,890
Sponsorship income	650	900
Leadership development	3,060	2,835
Subscriptions	124,513	106,571
	133,823	114,196
Total incoming resources	133,823	114,196
EXPENDITURE		
Charitable activities		
Annual conference	22,623	17,077
Programme enhancements	5,400	9,150
Leadership costs	121	-
Meeting costs	2,211	3,617
Stripe & Eventbrite charges	642	101
	30,997	29,945
Support costs		
Management		
Trustees' expenses	236	183
Salaries	60,322	46,490
Employer's NI	347	-
Pensions	1,412	1,017
Insurance	461	911
Telephone	449	378
Postage and stationery	147	-
Sundries	179	-
Travel & subsistence	6,821	2,784
IT support & consumables	3,885	1,968
Website maintenance & development	3,518	2,744
Remote office expenditure	-	73
Payroll service costs	1,319	1,066
Subscriptions	5,092	13,830
Recruitment & advertising	1,074	-
Carried forward	85,262	71,444

This page does not form part of the statutory financial statements

**COUNCIL FOR HIGHER EDUCATION IN ART &
DESIGN**

**Detailed Statement of Financial Activities
for the Year Ended 31 July 2023**

	2023 £	2022 £
Management		
Brought forward	85,262	71,444
Staff training, events & conferences	478	42
Legal fees	4,787	1,034
Accountancy fees	7,310	7,576
	97,837	80,096
Finance		
Bank charges	431	302
Total resources expended	129,265	110,343
Net income	4,558	3,853

This page does not form part of the statutory financial statements